

# MAGARENGLOCALMUNICIPALITY

**MAGARENG**



**MUNICIPALITY**

## MONTHLY BUDGETSTATEMENT REPORT

**JULY2023**

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# 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.

## EXECUTIVESUMMARY

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.

## INYEARBUDGETSTATEMENTTABLES

DESCRIPTION	ORIGINAL BUDGET	2023/2024		
		ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENTAGE
OPERATING REVENUE	162 061 667,00	-	32 424 718,53	20%
OPERATING EXPENDITURE	177 673 719,00	-	15 196 926,86	9%
TRANSFERS CAPITAL	54 967 000,00	-	-	0%
SURPLUS/(DEFICIT) AFTER TRANS	39 354 948,00	-	17 227 791,67	44%
CAPITAL EXPENDITURE	54 967 000,00	-	2 591 194,71	5%

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## TableC1–Budget Statement Summary

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

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	1 091	1 091	1 160	(69)	-6%	13 926
Service charges	30 335	60 384	60 384	2 738	2 738	5 032	(2 294)	-46%	60 384
Investment revenue	10 901	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	10 901	-	-	-	-	-	-	-	-
Other own revenue	62 474	87 752	87 752	28 596	28 596	7 313	21 283	291%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>126 874</b>	<b>162 062</b>	<b>162 062</b>	<b>32 425</b>	<b>32 425</b>	<b>13 505</b>	<b>18 920</b>	<b>140%</b>	<b>162 062</b>
Employee costs	44 265	53 709	53 709	3 518	3 518	4 476	(957)		53 709
Remuneration of Councillors	4 673	4 807	4 807	390	390	401	(10)		4 807
Depreciation and amortisation	25 974	25 954	25 954	2 163	2 163	2 163	0		25 954
Interest	-	-	-	-	-	-	-		-
Inventory consumed and bulk purchases	21 358	37 920	37 920	483	483	3 160	(2 677)		37 920
Transfers and subsidies	-	-	-	-	-	-	-		-
Other expenditure	46 915	55 284	55 284	8 642	8 642	4 607	4 035	88%	55 284
<b>Total Expenditure</b>	<b>143 185</b>	<b>177 674</b>	<b>177 674</b>	<b>15 197</b>	<b>15 197</b>	<b>14 806</b>	<b>391</b>	<b>3%</b>	<b>177 674</b>
<b>Surplus/(Deficit)</b>	<b>(16 311)</b>	<b>(15 612)</b>	<b>(15 612)</b>	<b>17 228</b>	<b>17 228</b>	<b>(1 301)</b>	<b>18 529</b>	<b>-1424%</b>	<b>(15 612)</b>
Transfers and subsidies - capital (monetary)	25 357	51 967	51 967	-	-	4 331	(4 331)	-100%	51 967
Transfers and subsidies - capital (in-kind)	-	3 000	3 000	-	-	250	(250)	-100%	3 000
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>9 046</b>	<b>39 355</b>	<b>39 355</b>	<b>17 228</b>	<b>17 228</b>	<b>3 280</b>	<b>13 948</b>	<b>425%</b>	<b>39 355</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>9 046</b>	<b>39 355</b>	<b>39 355</b>	<b>17 228</b>	<b>17 228</b>	<b>3 280</b>	<b>13 948</b>	<b>425%</b>	<b>39 355</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>23 530</b>	<b>55 257</b>	<b>55 257</b>	<b>2 591</b>	<b>2 591</b>	<b>4 605</b>	<b>(2 014)</b>	<b>-44%</b>	<b>55 257</b>
Capital transfers recognised	23 530	54 967	54 967	2 591	2 591	4 581	(1 989)	-43%	54 967
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	-	290	290	-	-	24	(24)	-100%	290
<b>Total sources of capital funds</b>	<b>23 530</b>	<b>55 257</b>	<b>55 257</b>	<b>2 591</b>	<b>2 591</b>	<b>4 605</b>	<b>(2 014)</b>	<b>-44%</b>	<b>55 257</b>
<b>Financial position</b>									
Total current assets	(33 108)	20 216	20 216		76 974				20 216
Total non current assets	374 008	306 151	306 151		374 437				306 151
Total current liabilities	413 034	356 086	356 086		290 823				356 086
Total non current liabilities	11 444	11 911	11 911		11 444				11 911
Community wealth/Equity	117 314	(41 630)	(41 630)		149 144				(41 630)
<b>Cash flows</b>									
Net cash from (used) operating	-	33 047	33 047	36 046	36 046	2 754	(33 292)	-1209%	272 930
Net cash from (used) investing	0	(52 257)	(52 257)	(2 591)	(2 591)	(4 355)	(1 764)	40%	(52 257)
Net cash from (used) financing	-	-	-	4	4	-	(4)	#DIV/0!	-
<b>Cash/cash equivalents at the month/year end</b>	<b>242</b>	<b>(18 968)</b>	<b>(18 968)</b>	<b>-</b>	<b>34 287</b>	<b>(1 359)</b>	<b>(35 646)</b>	<b>2622%</b>	<b>221 502</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	5 505	4 515	4 215	4 126	4 491	4 653	27 510	325 054	380 069
<b>Creditors Age Analysis</b>									
Total Creditors	3 463	6 398	7 669	10 134	12 359	58 940	53 317	96 883	249 163

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

**Revenue:**

The actual year to date operational revenue as at end of July R 32,4 million and the year to date budget of R13,5 million and this reflects a variance of 18,9 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Property rates: 6% unfavorable variance
- Service Charges: 46% unfavorable variance
- Other Own Revenue: 291% favorable variance

**Operating Expenditure:**

The year to date actual operational expenditure as at end of July amounts to R 15,2 million and the year to date budget is R 14,8 million. This reflects overspending variance of R 391 thousand that translates to positive 3% 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 other expenditure which reflects a positive variance of 88 %:

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 July 2023 amounts to R 2,6 million and the year to date budget amounts to R 4,6million and this gives rise to variance of R1,9 million which shows under performance on capital expenditure.

### **Surplus/Deficit**

Taking the above into consideration, the net operating deficit for the month of July is R 17,2 million.

### **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of July amounts to R 380 069 million and this show a decrease of R1 249 thousand as compared to R381 318 million as at end of 30 June 2023.

Consumer debtors is made up of service charges and property rates that amount to R 249 414 million and other debtors amounting to R 130 656 million.

### **Creditors**

As at 31 July 2023 the municipality had an outstanding creditors amounting to R249 163 million and the bulk of this amount is made up by Bulk water: R 125 780 million and bulk electricity: R102 830 million.

## TableC2–Financial Performance(StandardClassification)

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

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>Revenue - Functional</b>										
<b>Governance and administration</b>		89 625	84 422	84 422	27 250	27 250	7 035	20 215	287%	84 422
Executive and council		60 181	62 541	62 541	25 663	25 663	5 212	20 451	392%	62 541
Finance and administration		29 444	21 881	21 881	1 587	1 587	1 823	(236)	-13%	21 881
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		1 350	1 393	1 393	67	67	116	(49)	-42%	1 393
Community and social services		1 188	1 264	1 264	11	11	105	(94)	-90%	1 264
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		162	130	130	56	56	11	46	422%	130
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		91	450	450	-	-	38	(38)	-100%	450
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		91	450	450	-	-	38	(38)	-100%	450
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		61 164	130 764	130 764	5 107	5 107	10 897	(5 790)	-53%	130 764
Energy sources		11 919	35 848	35 848	1 429	1 429	2 987	(1 558)	-52%	35 848
Water management		33 318	50 145	50 145	1 528	1 528	4 179	(2 651)	-63%	50 145
Waste water management		8 390	35 402	35 402	1 249	1 249	2 950	(1 701)	-58%	35 402
Waste management		7 537	9 368	9 368	901	901	781	120	15%	9 368
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	152 231	217 029	217 029	32 425	32 425	18 086	14 339	79%	217 029
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		40 826	57 910	57 910	8 456	8 456	4 826	3 630	75%	57 910
Executive and council		12 796	13 006	13 006	988	988	1 084	(96)	-9%	13 006
Finance and administration		28 030	44 904	44 904	7 468	7 468	3 742	3 726	100%	44 904
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		10 783	12 754	12 754	836	836	1 063	(227)	-21%	12 754
Community and social services		2 225	2 571	2 571	197	197	214	(17)	-8%	2 571
Sport and recreation		3 465	5 218	5 218	281	281	435	(154)	-35%	5 218
Public safety		3 990	3 747	3 747	261	261	312	(52)	-17%	3 747
Housing		1 103	1 219	1 219	97	97	102	(5)	-5%	1 219
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		4 732	24 739	24 389	1 785	1 785	2 032	(248)	-12%	24 389
Planning and development		3 115	6 164	6 164	305	305	514	(208)	-41%	6 164
Road transport		1 616	18 575	18 225	1 479	1 479	1 519	(39)	-3%	18 225
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		86 845	82 271	82 621	4 120	4 120	6 885	(2 765)	-40%	82 621
Energy sources		28 244	35 688	35 688	765	765	2 974	(2 209)	-74%	35 688
Water management		24 618	24 970	25 320	1 725	1 725	2 110	(385)	-18%	25 320
Waste water management		17 987	17 115	17 115	1 288	1 288	1 426	(138)	-10%	17 115
Waste management		15 997	4 498	4 498	342	342	375	(33)	-9%	4 498
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	143 185	177 674	177 674	15 197	15 197	14 806	391	3%	177 674
<b>Surplus/ (Deficit) for the year</b>		9 046	39 355	39 355	17 228	17 228	3 280	13 948	425%	39 355

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

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

Vote Description	Ref	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	60 181	62 541	62 541	25 663	25 663	5 212	20 451	392,4%	62 541
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 04 - Financial Services		29 444	21 881	21 881	1 587	1 587	1 823	(236)	-12,9%	21 881
Vote 05 - Municipal Infrastructure		61 255	131 214	131 214	5 107	5 107	10 934	(5 827)	-53,3%	131 214
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		1 350	1 393	1 393	67	67	116	(49)	-42,1%	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>152 231</b>	<b>217 029</b>	<b>217 029</b>	<b>32 425</b>	<b>32 425</b>	<b>18 086</b>	<b>14 339</b>	<b>79,3%</b>	<b>217 029</b>
<b>Expenditure by Vote</b>										
Vote 01 - Executive & Council	1	9 586	10 836	10 836	924	924	903	21	2,3%	10 836
Vote 02 - Office Of The Municipal Manager		641	2 169	2 169	63	63	181	(117)	-64,9%	2 169
Vote 03 - Corporate Services		12 867	15 806	15 806	836	836	1 317	(481)	-36,5%	15 806
Vote 04 - Financial Services		15 231	29 098	29 098	6 632	6 632	2 425	4 207	173,5%	29 098
Vote 05 - Municipal Infrastructure		91 801	104 180	104 180	5 761	5 761	8 682	(2 920)	-33,6%	104 180
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		9 553	11 535	11 535	739	739	961	(222)	-23,1%	11 535
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-
Vote 09 - Planning & Development		3 506	4 048	4 048	241	241	337	(97)	-28,7%	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>143 185</b>	<b>177 674</b>	<b>177 674</b>	<b>15 197</b>	<b>15 197</b>	<b>14 806</b>	<b>391</b>	<b>2,6%</b>	<b>177 674</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>9 046</b>	<b>39 355</b>	<b>39 355</b>	<b>17 228</b>	<b>17 228</b>	<b>3 280</b>	<b>13 948</b>	<b>425,3%</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 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).



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

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

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		11 919	33 713	33 713	1 272	1 272	2 809	(1 538)	-55%	33 713
Service charges - Water		5 865	9 156	9 156	200	200	763	(563)	-74%	9 156
Service charges - Waste Water Management		8 041	10 832	10 832	723	723	903	(180)	-20%	10 832
Service charges - Waste management		4 509	6 683	6 683	543	543	557	(14)	-3%	6 683
Sale of Goods and Rendering of Services		517	624	624	21	21	52	(31)	-60%	624
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 048	13 632	13 632	1 623	1 623	1 136	487	43%	13 632
Interest from Current and Non Current Assets		10 901	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		2	3	3	-	-	0	(0)	-	3
Rental from Fixed Assets		1	3	3	1	1	0	1	233%	3
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		565	71	71	19	19	6	13	218%	71
<b>Non-Exchange Revenue</b>										
Property rates		12 263	13 926	13 926	1 091	1 091	1 160	(69)	-6%	13 926
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		93	135	135	38	38	11	26	-	135
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		66 150	68 488	68 488	26 395	26 395	5 707	20 688	-	68 488
Interest		-	4 798	4 798	499	499	400	100	-	4 798
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>126 874</b>	<b>162 062</b>	<b>162 062</b>	<b>32 425</b>	<b>32 425</b>	<b>13 505</b>	<b>18 920</b>	<b>140%</b>	<b>162 062</b>
<b>Expenditure By Type</b>										
Employee related costs		44 265	53 709	53 709	3 518	3 518	4 476	(957)	-21%	53 709
Remuneration of councillors		4 673	4 807	4 807	390	390	401	(10)	-3%	4 807
Bulk purchases - electricity		12 025	25 000	25 000	-	-	2 083	(2 083)	-	25 000
Inventory consumed		9 334	12 920	12 920	483	483	1 077	(594)	-	12 920
Debt impairment		-	35 391	35 391	2 949	2 949	2 949	(0)	0%	35 391
Depreciation and amortisation		25 974	25 954	25 954	2 163	2 163	2 163	0	0%	25 954
Interest		-	-	-	-	-	-	-	-	-
Contracted services		4 118	9 594	9 594	66	66	799	(734)	-92%	9 594
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		35 391	-	-	5 172	5 172	-	5 172	-	-
Operational costs		7 407	10 299	10 299	456	456	858	(402)	-47%	10 299
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>143 185</b>	<b>177 674</b>	<b>177 674</b>	<b>15 197</b>	<b>15 197</b>	<b>14 806</b>	<b>391</b>	<b>3%</b>	<b>177 674</b>
<b>Surplus/(Deficit)</b>		<b>(16 311)</b>	<b>(15 612)</b>	<b>(15 612)</b>	<b>17 228</b>	<b>17 228</b>	<b>(1 301)</b>	<b>18 529</b>	<b>(0)</b>	<b>(15 612)</b>
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-
		25 357	51 967	51 967	-	-	4 331	(4 331)	(0)	51 967
Transfers and subsidies - capital (in-kind)		-	3 000	3 000	-	-	250	(250)	(0)	3 000
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>9 046</b>	<b>39 355</b>	<b>39 355</b>	<b>17 228</b>	<b>17 228</b>	<b>3 280</b>			<b>39 355</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>9 046</b>	<b>39 355</b>	<b>39 355</b>	<b>17 228</b>	<b>17 228</b>	<b>3 280</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>9 046</b>	<b>39 355</b>	<b>39 355</b>	<b>17 228</b>	<b>17 228</b>	<b>3 280</b>			<b>39 355</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>9 046</b>	<b>39 355</b>	<b>39 355</b>	<b>17 228</b>	<b>17 228</b>	<b>3 280</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.

## TableC5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

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

Vote Description	Ref	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>Single Year expenditure appropriation</b>	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	290	290	-	-	24	(24)	-100%	290
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 05 - Municipal Infrastructure		23 530	54 967	54 967	2 591	2 591	4 581	(1 989)	-43%	54 967
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	23 530	55 257	55 257	2 591	2 591	4 605	(2 014)	-44%	55 257
<b>Total Capital Expenditure</b>		23 530	55 257	55 257	2 591	2 591	4 605	(2 014)	-44%	55 257
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	290	290	-	-	24	(24)	-100%	290
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	290	290	-	-	24	(24)	-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>		23 530	54 967	54 967	2 591	2 591	4 581	(1 989)	-43%	54 967
Energy sources		-	-	-	-	-	-	-	-	-
Water management		23 530	35 452	35 452	2 591	2 591	2 954	(363)	-12%	35 452
Waste water management		-	19 515	19 515	-	-	1 626	(1 626)	-100%	19 515
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	23 530	55 257	55 257	2 591	2 591	4 605	(2 014)	-44%	55 257
<b>Funded by:</b>										
National Government		22 134	31 967	31 967	2 591	2 591	2 664	(73)	-3%	31 967
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		1 395	3 000	3 000	-	-	250	(250)	-100%	3 000
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	20 000	20 000	-	-	1 667	(1 667)	-100%	20 000
<b>Transfers recognised - capital</b>		23 530	54 967	54 967	2 591	2 591	4 581	(1 989)	-43%	54 967
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>	6	-	290	290	-	-	24	(24)	-100%	290
<b>Total Capital Funding</b>		23 530	55 257	55 257	2 591	2 591	4 605	(2 014)	-44%	55 257

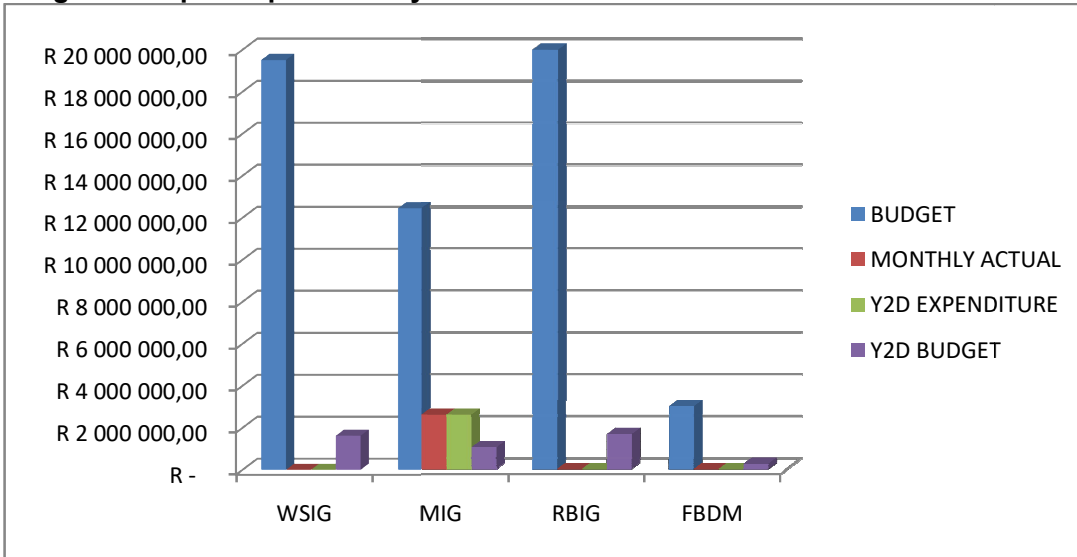
**Table C5C: Monthly Capital Expenditure by Vote**

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

Vote Description	Ref	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	-	-	24	(24)	-100%	290
03.1 - Administration And Legal		-	-	-	-	-	-	-	-	-
03.2 - Corporate Admin		-	290	290	-	-	24	(24)	-100%	290
03.3 - Human Resources		-	-	-	-	-	-	-	-	-
<b>Vote 04 - Financial Services</b>		-	-	-	-	-	-	-	-	-
04.1 - Finance Admin		-	-	-	-	-	-	-	-	-
<b>Vote 05 - Municipal Infrastructure</b>		23 530	54 967	54 967	2 591	2 591	4 581	(1 989)	-43%	54 967
05.1 - Technical Admin		-	-	-	-	-	-	-	-	-
05.2 - Roads And Stormwater		-	-	-	-	-	-	-	-	-
05.3 - Solid Waste Management		-	-	-	-	-	-	-	-	-
05.4 - Sanitation		-	19 515	19 515	-	-	1 626	(1 626)	-100%	19 515
05.5 - Water		23 530	35 452	35 452	2 591	2 591	2 954	(363)	-12%	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 - ldp		-	-	-	-	-	-	-	-	-
09.4 - Land Use		-	-	-	-	-	-	-	-	-
<b>Vote 10 - Hunan Settlements</b>		-	-	-	-	-	-	-	-	-
<b>Vote 11 - ldp, 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>		23 530	55 257	55 257	2 591	2 591	4 605	(2 014)	(0)	55 257
<b>Total Capital Expenditure</b>		23 530	55 257	55 257	2 591	2 591	4 605	(2 014)	(0)	55 257

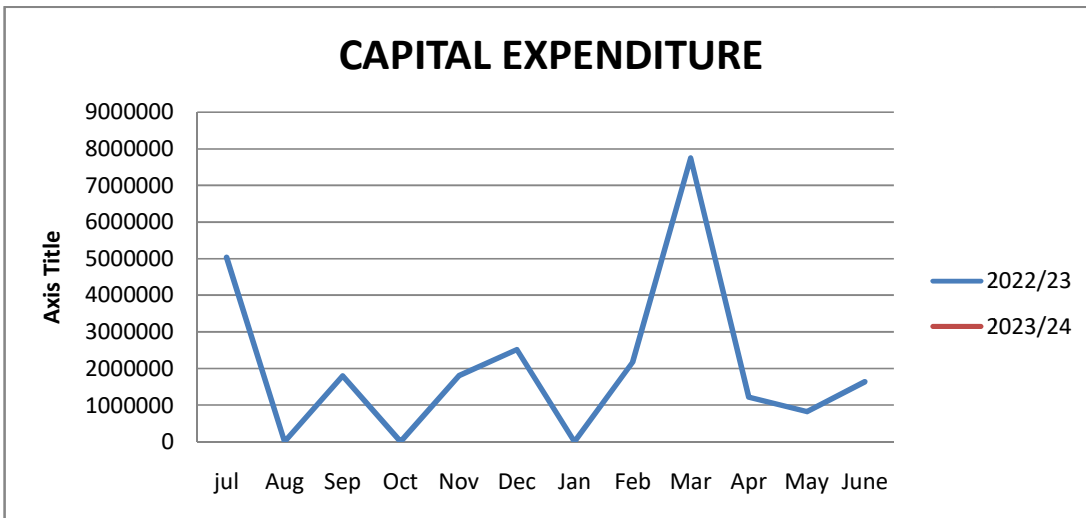
The above two tables (Table C5C apex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of July2023, capital expenditure amounts to R2,6 million.

**Figure1: Capitalexpenditurebysource**



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R 54,9million, 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 3million 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 - M01 July

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		(105 404)	(138 558)	(138 558)	8 325	(138 558)
Trade and other receivables from exchange transactions		993	90 110	90 110	(2 165)	90 110
Receivables from non-exchange transactions		14 948	15 690	15 690	14 033	15 690
Current portion of non-current receivables						
Inventory		164	(136)	(136)	164	(136)
VAT		58 193	54 920	54 920	58 620	54 920
Other current assets		(2 002)	(1 810)	(1 810)	(2 002)	(1 810)
<b>Total current assets</b>		<b>(33 108)</b>	<b>20 216</b>	<b>20 216</b>	<b>76 974</b>	<b>20 216</b>
<b>Non current assets</b>						
Investments						
Investment property		23 831	23 831	23 831	23 831	23 831
Property, plant and equipment		349 786	281 929	281 929	350 215	281 929
Biological assets						
Living and non-living resources						
Heritage assets		371	371	371	371	371
Intangible assets		20	20	20	20	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>374 008</b>	<b>306 151</b>	<b>306 151</b>	<b>374 437</b>	<b>306 151</b>
<b>TOTAL ASSETS</b>		<b>340 900</b>	<b>326 367</b>	<b>326 367</b>	<b>451 411</b>	<b>326 367</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		165	165	165	165	165
Consumer deposits		1 309	611	611	1 312	611
Trade and other payables from exchange transactions		360 586	320 290	320 290	237 245	320 290
Trade and other payables from non-exchange transactions		18 494	(264)	(264)	18 494	(264)
Provision		7 741	9 051	9 051	9 051	9 051
VAT		24 739	24 009	24 009	24 556	24 009
Other current liabilities		-	2 224	2 224	-	2 224
<b>Total current liabilities</b>		<b>413 034</b>	<b>356 086</b>	<b>356 086</b>	<b>290 823</b>	<b>356 086</b>
<b>Non current liabilities</b>						
Financial liabilities		-	-	-	-	-
Provision		11 444	11 911	11 911	11 444	11 911
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
<b>Total non current liabilities</b>		<b>11 444</b>	<b>11 911</b>	<b>11 911</b>	<b>11 444</b>	<b>11 911</b>
<b>TOTAL LIABILITIES</b>		<b>424 478</b>	<b>367 997</b>	<b>367 997</b>	<b>302 267</b>	<b>367 997</b>
<b>NET ASSETS</b>	2	<b>(83 578)</b>	<b>(41 630)</b>	<b>(41 630)</b>	<b>149 144</b>	<b>(41 630)</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		117 314	(41 630)	(41 630)	149 144	(41 630)
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>117 314</b>	<b>(41 630)</b>	<b>(41 630)</b>	<b>149 144</b>	<b>(41 630)</b>

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

**TableC7: Monthly Budget Statement CashFlow**

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

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>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		–	4 874	4 874	636	636	406	230	57%	4 874
Service charges		–	20 261	20 261	1 424	1 424	1 688	(265)	-16%	20 261
Other revenue		–	786	786	12 504	12 504	66	12 439	18983%	786
Transfers and Subsidies - Operational		–	68 488	68 488	26 395	26 395	5 707	20 688	362%	68 488
Transfers and Subsidies - Capital		–	54 967	54 967	–	–	4 581	(4 581)	-100%	54 967
Interest		–	–	–	–	–	–	–	–	–
Dividends		–	–	–	–	–	–	–	–	–
<b>Payments</b>										
Suppliers and employees		–	(116 329)	(116 329)	(4 913)	(4 913)	(9 694)	(4 781)	49%	123 554
Interest		–	–	–	–	–	–	–	–	–
Transfers and Subsidies		–	–	–	–	–	–	–	–	–
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		–	33 047	33 047	36 046	36 046	2 754	(33 292)	-1209%	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		–	(52 257)	(52 257)	(2 591)	(2 591)	(4 355)	(1 764)	40%	(52 257)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		0	(52 257)	(52 257)	(2 591)	(2 591)	(4 355)	(1 764)	40%	(52 257)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	4	4	–	4	#DIV/0!	–
<b>Payments</b>										
Repayment of borrowing		–	–	–	–	–	–	–	–	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		–	–	–	4	4	–	(4)	#DIV/0!	–
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		0	(19 210)	(19 210)	33 459	33 459	(1 601)			220 673
Cash/cash equivalents at beginning:		242	242	242	828	828	242			828
Cash/cash equivalents at month/year end:		242	(18 968)	(18 968)		34 287	(1 359)			221 502

TableC7 presents details pertaining to cashflow performance. As at end of July 2023, the net cash inflow from operating activities is R36 million whilst the net cash outflow from investing activities amounts to –R2,6 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R 4 thousand. The cash and cash equivalent held at end of July 2023 amounted to R 33,5 million and the net effect of the above cash flows is cash outflow movement of R34,3 million.

## PART2: SUPPORTING TABLES

### SupportingTable: MaterialVarianceExplanations

DESCRIPTION	VARIANCE	REASON FOR MATERIAL VARIANCE	REMEDIAL OR CORRECTIVE STEPS/REMARKS
<b>REVENUE BY SOURCE</b>			
Property rates	-6%	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	-55%	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 its still the first month in the new financial year.
Service charges - water revenue	-74%	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 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	-20%	The projected monthly revenue appear to be high as compared to actual revenue performance	The municipality will monitor this line item as its still the first month of the new financial year.
Service charges - refuse revenue	-3%	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	-60%	The actual revenue is less than the projected monthly revenue	The municipality should come up with strategies to ensure all revenue generating municipal assets are renovated and rented out.
Interest earned from Receivables	43%	The actual revenue is more than the projected monthly revenue	The municipality needs to look at the revenue generated under interest earned from external investments and debtors.
Fines, penalties and forfeits	236%	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	362%	The monthly actual revenue is less than the actual budgeted revenue	The municipality receives grants as per DoRA schedule
Operational Revenue	218%	The actual revenue is less than the projected monthly revenue	The municipality will monitor this line item as its still the first month 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	-100%	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	-55%	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	-92%	the actual expenditure incurred is less than the projected monthly actual	We over budgeted and will move budgeted amounts to areas we have overspend in.
Operational costs	-47%	the actual expenditure incurred is less than the projected monthly actual	The municipality needs to cut down the budgeted expenditure



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

<b>Capital expenditure</b>			
National government	-3%	the actual expenditure incurred is more than the projected monthly actual	No remedies needed
<b>CASHFLOW</b>			
<b>Receipts</b>			
Property rates	57%	The projected monthly revenue appear to be high in light of the actual revenue performance	The municipality under budgeted on this line item, will be rectified through an adjustment budget in January.
Service charges	-16%	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	18983%	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	362%	The actual revenue is less than the projected monthly revenue	The municipality receives grants as per DoRA schedule
Transfers and Subsidies - Capital	-100%	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 - M01 July

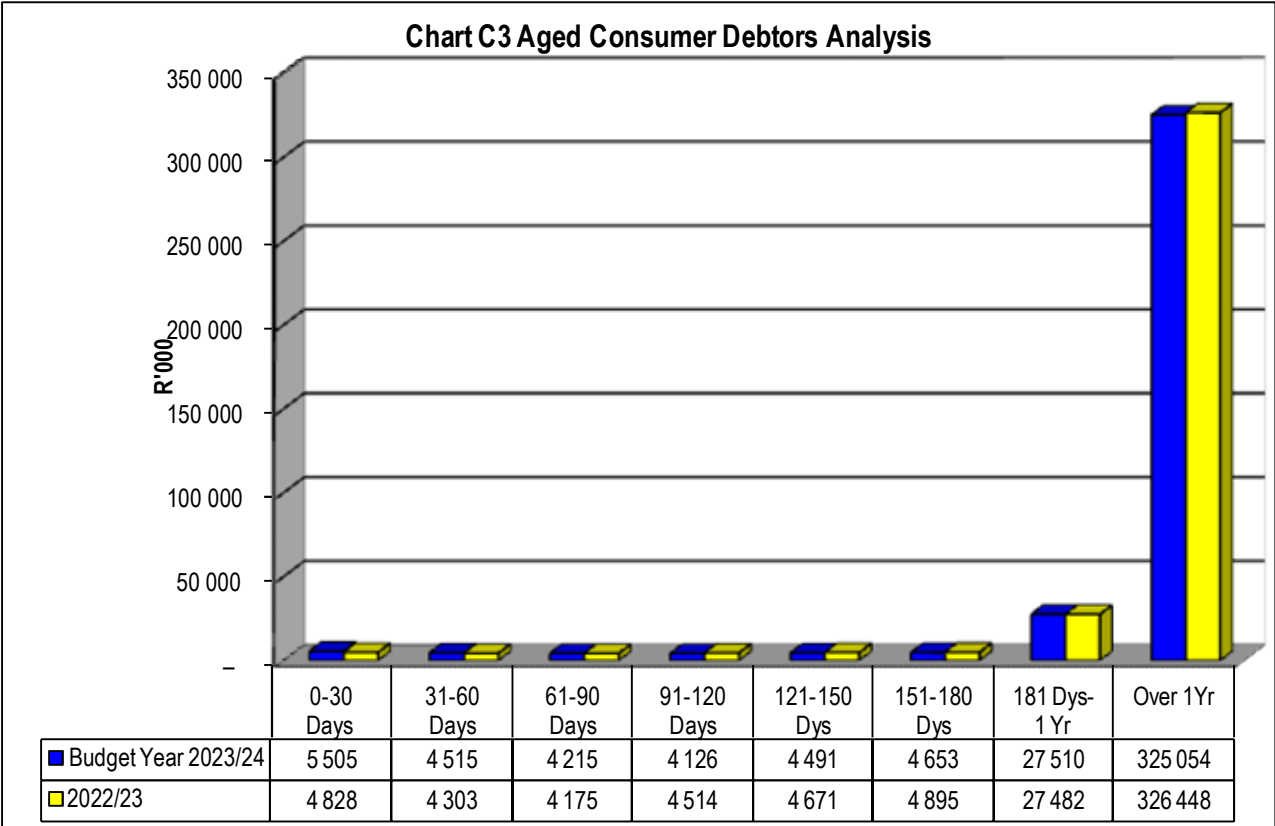
Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	319	323	293	308	721	775	4 931	61 445	69 115	68 180		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	475	267	170	143	141	168	1 079	25 632	28 074	27 162		
Receivables from Non-exchange Transactions - Property Rates	1400	1 010	970	880	793	751	863	4 609	41 830	51 705	48 846		
Receivables from Exchange Transactions - Waste Water Management	1500	828	775	745	754	755	755	4 562	49 994	59 167	56 820		
Receivables from Exchange Transactions - Waste Management	1600	609	549	528	533	531	530	3 226	34 847	41 352	39 666		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	2 129	1 570	1 560	1 559	1 544	1 527	8 870	108 050	126 809	121 549		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	135	62	39	36	50	34	234	3 256	3 846	3 611		
<b>Total By Income Source</b>	<b>2000</b>	<b>5 505</b>	<b>4 515</b>	<b>4 215</b>	<b>4 126</b>	<b>4 491</b>	<b>4 653</b>	<b>27 510</b>	<b>325 054</b>	<b>380 069</b>	<b>365 834</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	351	285	226	177	186	153	718	3 947	6 042	5 181		
Commercial	2300	574	390	309	333	297	400	2 299	18 603	23 205	21 932		
Households	2400	4 548	3 812	3 652	3 590	3 983	4 075	24 341	300 912	348 913	336 901		
Other	2500	33	28	28	25	25	25	151	1 592	1 909	1 820		
<b>Total By Customer Group</b>	<b>2600</b>	<b>5 505</b>	<b>4 515</b>	<b>4 215</b>	<b>4 126</b>	<b>4 491</b>	<b>4 653</b>	<b>27 510</b>	<b>325 054</b>	<b>380 069</b>	<b>365 834</b>	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of July amount to R 380 069 million. The debtors' book is made up as follows:

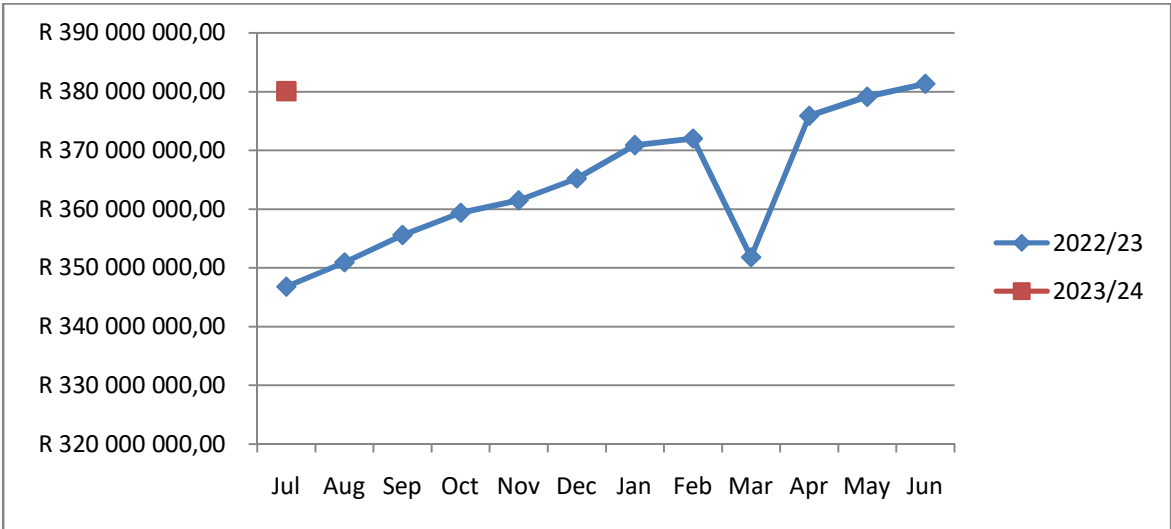
- Rates 14%
- Electricity 7%
- Water 18%
- Waste water management 16%
- Waste management 11%
- Interest on Debtors 33%
- Other 1%

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 30 June and 31 July 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 June 2023.

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

**FIGURE 5: TOP TWENTY DEBTORS**

No	ACCOUNT NO	NAME	GROUP DEBT	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	-	-	-	-	-	-	-	9 951 086,98	9 993 450,75
	1011982	WARRENTON SUPER CHICKEN PTY LTD	BU	-	-	-	-	-	-	-	6 080,96	
2	1013046	DWT DAILY WHEEL AND TYRES (PTY) LTD	BU	18 050,76	18 043,98	18 073,57	17 634,78	94 879,46	17 602,00	17 077,44	3 126 206,92	3 370 263,14
3	1014691	NATIONAL GOVERNMENT OF RSA	GO	70 287,50	69 877,14	69 466,79	69 056,44	68 646,09	68 235,73	67 825,38	2 232 748,21	2 867 524,67
4	1015015	SSANRAL	BU	12 663,85	12 663,85	12 663,85	12 663,57	12 705,45	12 670,03	14 072,56	2 526 474,07	2 646 696,66
5	1200112	MAGELEVENDZE INV CC	RE	-	-	-	-	-	-	-	932 565,09	1 276 587,50
	1002654	MAGELEVENDZE INV CC	RE	4 842,52	4 826,24	4 816,21	4 799,95	4 985,76	19 045,22	18 930,18	271 111,09	
6	1002224	IMPERIAL SUPERMARKET	BU	5 877,07	5 872,39	5 875,28	5 875,30	5 869,94	5 860,89	5 851,82	940 453,03	995 111,12
7	1015018	LM ERASMUS BOEDERY GRASBULT	BU	4 841,61	4 837,78	4 833,95	4 830,12	4 826,29	4 822,46	4 664,26	769 420,33	814 476,47
8	1014741	LAERSKOOOL HARTSVALLEI	GO	17 962,36	17 857,49	17 752,62	17 647,76	17 542,89	17 438,02	17 333,15	570 591,24	732 811,89
9	1006041	SS KOTE	RE	3 491,04	3 486,43	3 484,19	3 479,58	3 474,96	3 470,34	3 465,72	685 454,09	717 958,52
10	1000719	MM MOLOI	RE	3 298,37	3 298,26	3 295,97	6 304,49	3 291,04	3 288,57	3 284,95	610 886,57	644 876,90
11	1015021	W J HEWITT	RE	2 644,49	2 644,49	2 644,49	2 646,52	2 649,98	12 308,39	2 648,84	534 775,07	569 418,59
12	1200206	GM WESI	BU	-	-	-	-	-	-	-	565 968,56	574 506,34
	1001073	GM WESI	BU	-	-	-	-	-	-	-	4 452,60	
13	1200313	CM AVENANT	BU	-	-	-	85 425,89	3 277,00	5 948,52	3 261,26	315 488,56	451 981,83
	1015849	CM AVENANT	BU	1 883,52	1 300,16	-	9 098,38	-	-	-	22 301,62	
14	1001684	MOTSHELE	RE	2 110,83	2 108,20	2 107,74	2 136,53	2 102,49	2 099,86	2 097,23	412 339,03	432 026,31
15	1002657	TERWIN	BU	6 321,93	6 290,52	6 259,09	6 227,67	6 196,25	6 164,83	6 133,41	368 992,04	426 433,54
16	1004435	OK THETHE	RE	2 725,99	2 720,43	2 717,27	2 711,71	2 706,16	2 700,60	2 695,04	399 544,94	424 796,82
17	1003573	D,C DYKER	RE	2 524,22	2 521,59	2 521,37	3 027,78	2 516,13	2 513,50	2 510,87	398 272,02	422 315,07
18	1004132	D GEORGE	RE	2 171,75	2 168,56	2 165,51	4 676,05	2 161,15	2 154,59	2 648,05	395 804,57	419 554,78
19	1002463	A SPOORNET	BU	1 255,49	1 255,49	1 255,49	1 255,49	1 255,49	1 255,49	1 255,49	395 841,58	407 616,04
20	1005708	AAP VAN WYK	RE	2 723,57	18 943,98	2 885,12	2 881,42	2 877,70	2 875,07	2 663,26	362 460,92	404 951,35

## Supporting Table: SC4-Creditors Age Analysis

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

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	2 042	4 269	5 420	5 081	6 800	43 350	35 869	-	102 830		
Bulk Water	0200	1 068	1 117	1 456	1 406	1 818	12 406	14 231	92 278	125 780		
PAYE deductions	0300	-	-	-	-	-	-	-	-	-		
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-		
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-		
Loan repayments	0600	-	-	-	-	-	-	-	-	-		
Trade Creditors	0700	-	434	422	3 371	3 550	2 930	3 009	4 441	18 156		
Auditor General	0800	353	578	371	277	191	254	208	164	2 397		
Other	0900	-	-	-	-	-	-	-	-	-		
<b>Total By Customer Type</b>	<b>1000</b>	<b>3 463</b>	<b>6 398</b>	<b>7 669</b>	<b>10 134</b>	<b>12 359</b>	<b>58 940</b>	<b>53 317</b>	<b>96 883</b>	<b>249 163</b>	-	

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice. The municipalities' creditors as at the 31 July 2023 amounted to R249 163 million. This amount is made up of various creditors which include amongst others the Eskom of R102 830 million, and Vaalharts water of R125 780 million. The municipality cannot pay its creditors within 30 days due to low revenue collection.

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

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

The Municipality's current investment portfolio is only updated on a quarterly basis.

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

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

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>		62 862	65 541	65 541	25 663	25 663	5 462	20 201	369,9%	65 541
Equitable Share		52 567	61 591	61 591	25 663	25 663	5 133	20 530	400,0%	61 591
Expanded Public Works Programme Integrated Grant		1 073	950	950	-	-	79	(79)	-100,0%	950
Local Government Financial Management Grant		2 681	3 000	3 000	-	-	250	(250)	-100,0%	3 000
Municipal Disaster Relief Grant		6 541	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		2 187	1 800	1 800	732	732	150	582	388,2%	1 800
FBDM ( Operational)		2 187	1 800	1 800	732	732	150	582	388,2%	1 800
<b>Other grant providers:</b>		1 100	1 147	1 147	-	-	96	(96)	-100,0%	1 147
Education Training and Development Practices SETA		-	-	-	-	-	-	(96)	-	-
National Library South Africa		1 100	1 147	1 147	-	-	96	(96)	-100,0%	1 147
Post Retirement Benefit		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	66 150	68 488	68 488	26 395	26 395	5 707	20 688	362,5%	68 488
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		25 357	51 967	51 967	-	-	4 331	(4 331)	-100,0%	51 967
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		18 612	12 452	12 452	-	-	1 038	(1 038)	-100,0%	12 452
Regional Bulk Infrastructure Grant		-	20 000	20 000	-	-	1 667	(1 667)	-100,0%	20 000
Water Services Infrastructure Grant		6 745	19 515	19 515	-	-	1 626	(1 626)	-100,0%	19 515
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	3 000	3 000	-	-	250	(250)	-100,0%	3 000
FBDM ( Capital)		-	3 000	3 000	-	-	250	(250)	-100,0%	3 000
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	25 357	54 967	54 967	-	-	4 581	(4 581)	-100,0%	54 967
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	91 507	123 455	123 455	26 395	26 395	10 288	16 107	156,6%	123 455

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R 26,4million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R25,6 million; Financial Management Grant amounting to R 0million;Municipal Infrastructure Grant amounting to R 0 million; Water Service Infrastructure Grant R0 million, Expanded Public Works ProgrammeR 0 million, Library Grant R 0 million, Frances Baard District O & M R 732 thousands, Regional Bulk Infrastructure Grant amounting to R0 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.



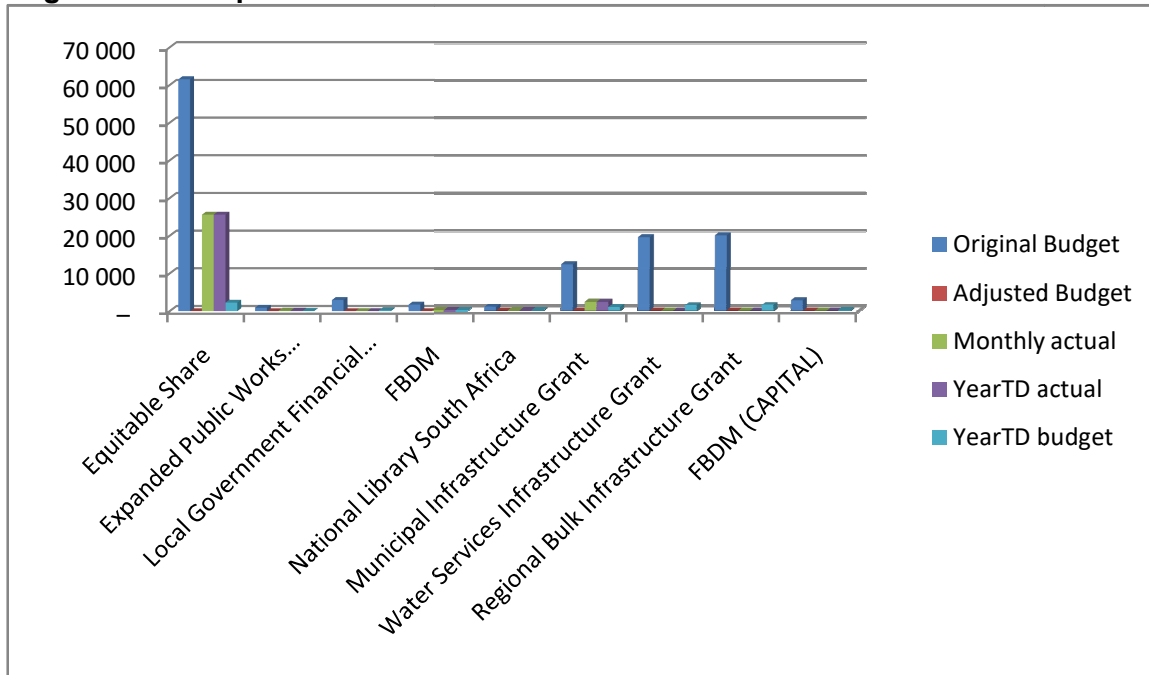
## SupportingTable: SC7Transfers andgrants –Expenditure

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

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:		26 679	65 541	65 541	25 844	25 844	2 627	23 217	883,7%	31 527
Equitable Share		22 757	61 591	61 591	25 663	25 663	2 298	23 365	1016,7%	27 577
Expanded Public Works Programme Integrated Grant		1 240	950	950	141	141	79	62	77,9%	950
Local Government Financial Management Grant		2 681	3 000	3 000	40	40	250	(210)	-83,8%	3 000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		1 333	1 800	1 800	133	133	150	(17)	-11,4%	1 800
FBDM ( Operational)		1 333	1 800	1 800	133	133	150	(17)	-11,4%	1 800
Other grant providers:		858	1 147	1 147	91	91	96	(5)	-5,0%	1 147
Education Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
National Library South Africa		858	1 147	1 147	91	91	96	(5)	-5,0%	1 147
<b>Total operating expenditure of Transfers and Grants:</b>		<b>28 870</b>	<b>68 488</b>	<b>68 488</b>	<b>26 068</b>	<b>26 068</b>	<b>2 873</b>	<b>23 195</b>	<b>807,4%</b>	<b>34 474</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		22 134	31 967	31 967	2 591	2 591	2 664	(73)	-2,7%	31 967
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		15 389	12 452	12 452	2 591	2 591	1 038	1 554	149,7%	12 452
Water Services Infrastructure Grant		6 745	19 515	19 515	-	-	1 626	(1 626)	-100,0%	19 515
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		1 395	3 000	3 000	-	-	250	(250)	-100,0%	3 000
FBDM (Capital)		1 395	3 000	3 000	-	-	250	(250)	-100,0%	3 000
Other grant providers:		-	20 000	20 000	-	-	1 667	(1 667)	-100,0%	20 000
Regional Bulk Infrastructure Grant		-	20 000	20 000	-	-	1 667	(1 667)	-100,0%	20 000
<b>Total capital expenditure of Transfers and Grants</b>		<b>23 530</b>	<b>54 967</b>	<b>54 967</b>	<b>2 591</b>	<b>2 591</b>	<b>4 581</b>	<b>(1 989)</b>	<b>-43,4%</b>	<b>54 967</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>52 400</b>	<b>123 455</b>	<b>123 455</b>	<b>28 659</b>	<b>28 659</b>	<b>7 453</b>	<b>21 206</b>	<b>284,5%</b>	<b>89 441</b>

An amount of R 28,7 million has been spent on grants during the month of July 2023 and the year to date actual is R 28,7million whilst the year to date budget amounts to R 7,5 million and this results in an over spending variance of R 21,2 million that translates to positive 284%.Of the total spending amounting to R28,7 million, which R 26 million was spent on operational grants and R 2,6 million was spent on capital grants.

**Figure5:Grants performance**



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

- Financial Management Grant 1%
- ExpandedPublicWork Programme 15%
- EquitableShare 42%
- Frances Baard District Municipality Grant7%
- Library Grant 8%
- MunicipalInfrastructure Grant 21%
- Water Services Infrastructure Grant 0%
- Regional Bulk Infrastructure Grant 0%
- 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 - M01 July

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		3 248	3 222	3 222	266	266	268	(2)	-1%	3 222
Pension and UIF Contributions		373	452	452	30	30	38	(7)	-19%	452
Medical Aid Contributions		115	123	123	10	10	10	(0)	0%	123
Motor Vehicle Allowance		456	529	529	43	43	44	(1)	-2%	
Cellphone Allowance		481	481	481	40	40	40	-		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>390</b>	<b>401</b>	<b>(10)</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	65	65	236	(171)	-73%	2 829
Pension and UIF Contributions		125	314	314	9	9	26	(17)	-66%	314
Medical Aid Contributions		69	122	122	4	4	10	(6)	-60%	122
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		89	231	231	-	-	19	(19)	-100%	231
Motor Vehicle Allowance		199	1 500	1 500	-	-	125	(125)	-100%	1 500
Cellphone Allowance		-	-	-	-	-	-	-		-
Housing Allowances		-	154	154	-	-	13	(13)	-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		1	166	166	-	-	14	-		166
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>		<b>1 523</b>	<b>5 317</b>	<b>5 317</b>	<b>77</b>	<b>77</b>	<b>443</b>	<b>(366)</b>	<b>-83%</b>	<b>5 317</b>
<b>% increase</b>	4		<b>249,1%</b>	<b>249,1%</b>						<b>249,1%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		31 451	34 670	34 670	2 668	2 668	2 889	(221)	-8%	34 670
Pension and UIF Contributions		5 107	6 428	6 428	475	475	536	(61)	-11%	6 428
Medical Aid Contributions		1 775	2 569	2 569	146	146	214	(68)	-32%	2 569
Overtime		1 630	1 000	1 000	41	41	83	(42)	-51%	1 000
Performance Bonus		2 172	2 829	2 829	55	55	236	(181)	-77%	2 829
Motor Vehicle Allowance		62	53	53	4	4	4	(0)	-5%	53
Cellphone Allowance		47	66	66	4	4	6	(2)	-36%	66
Housing Allowances		70	77	77	4	4	6	(2)	-33%	77
Other benefits and allowances		360	491	491	29	29	41	(12)	-30%	491
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards		-	110	110	-	-	9	(9)	-100%	110
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		69	100	100	15	15	8	7	85%	100
In kind benefits		-	-	-	-	-	-	-		-
<b>Sub Total - Other Municipal Staff</b>		<b>42 742</b>	<b>48 392</b>	<b>48 392</b>	<b>3 441</b>	<b>3 441</b>	<b>4 033</b>	<b>(592)</b>	<b>-15%</b>	<b>48 392</b>
<b>% increase</b>	4		<b>13,2%</b>	<b>13,2%</b>						<b>13,2%</b>
<b>Total Parent Municipality</b>		<b>48 937</b>	<b>58 516</b>	<b>58 516</b>	<b>3 909</b>	<b>3 909</b>	<b>4 876</b>	<b>(968)</b>	<b>-20%</b>	<b>58 516</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>48 937</b>	<b>58 516</b>	<b>58 516</b>	<b>3 909</b>	<b>3 909</b>	<b>4 876</b>	<b>(968)</b>	<b>-20%</b>	<b>58 516</b>
<b>% increase</b>	4		<b>19,6%</b>	<b>19,6%</b>						<b>19,6%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>44 265</b>	<b>53 709</b>	<b>53 709</b>	<b>3 518</b>	<b>3 518</b>	<b>4 476</b>	<b>(957)</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 July 2023 amounts to R 3,9 million and the year to date budget is R 4,9 million and the expenditure for remuneration of councilors amounts to R 390 thousand while the year to date budget is R 401 thousands. The year to date actual expenditure for senior managers is R 77 thousands and the year to date budget thereof is R 443 thousands .The year to date actual of other municipal staff amounts to R 3,9 million and the year to date budget is R 4,9 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 - M01 July

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	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
<b>R thousands</b>	<b>1</b>															
<b>Cash Receipts By Source</b>																
Property rates		636	406	406	406	406	406	406	406	406	406	406	177	4 874	5 090	5 329
Service charges - Electricity revenue		1 100	911	911	911	911	911	911	911	911	911	911	721	10 926	11 163	11 687
Service charges - Water revenue		139	267	267	267	267	267	267	267	267	267	267	395	3 204	3 361	3 519
Service charges - Waste Water Management		72	316	316	316	316	316	316	316	316	316	316	560	3 791	3 977	4 164
Service charges - Waste Mangement		113	195	195	195	195	195	195	195	195	195	195	276	2 339	2 454	2 569
Rental of facilities and equipment		-	2	2	2	2	2	2	2	2	2	2	5	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	5	5	11	65	68	71
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		26 395	5 707	5 707	5 707	5 707	5 707	5 707	5 707	5 707	5 707	5 707	(14 981)	68 488	69 487	69 431
Other revenue		12 504	58	58	58	58	58	58	58	58	58	58	(12 389)	694	728	763
<b>Cash Receipts by Source</b>		<b>40 959</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>7 865</b>	<b>7 865</b>	<b>(25 229)</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)		-	4 581	4 581	4 581	4 581	4 581	4 581	4 581	4 581	4 581	4 581	9 161	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	-	-	-	-	-	-	-	-	-	-	(4)	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>		<b>40 963</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>12 446</b>	<b>12 446</b>	<b>(16 071)</b>	<b>149 349</b>	<b>111 241</b>	<b>112 225</b>
<b>Cash Payments by Type</b>																
Employee related costs		3 518	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(12 470)	(53 709)	(56 091)	(58 178)
Remuneration of councillors		390	401	401	401	401	401	401	401	401	401	401	411	4 807	5 109	5 429
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity		-	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(4 167)	(25 000)	(26 225)	(27 458)
Acquisitions - water & other inventory		483	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(2 637)	(12 920)	(12 134)	(12 670)
Contracted services		66	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(7 176)	(42 663)	(4 843)	(4 304)
Transfers and subsidies - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		456	494	494	494	494	494	494	494	494	494	494	533	5 931	5 706	6 005
<b>Cash Payments by Type</b>		<b>4 913</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>(10 296)</b>	<b>(10 296)</b>	<b>(25 505)</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	4 355	4 355	4 355	4 355	4 355	4 355	4 355	4 355	4 355	4 355	6 118	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>(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>(5 941)</b>	<b>(5 941)</b>	<b>(19 387)</b>	<b>(71 297)</b>	<b>(73 262)</b>	<b>(76 166)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>33 459</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>18 387</b>	<b>18 387</b>	<b>3 316</b>	<b>220 646</b>	<b>184 504</b>	<b>188 391</b>
Cash/cash equivalents at the month/year beginning:		828	34 287	52 674	71 061	89 448	107 835	126 223	144 610	162 997	181 384	199 771	218 159	828	221 474	405 978
Cash/cash equivalents at the month/year end:		34 287	52 674	71 061	89 448	107 835	126 223	144 610	162 997	181 384	199 771	218 159	221 474	221 474	405 978	594 369

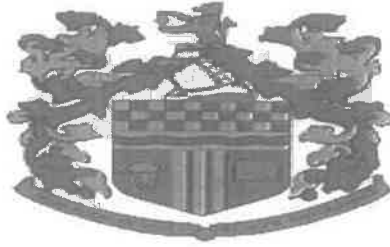
Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly cash receipts reflect an amount of R40,9 million and cash payment for the month amounts to R 7,5 million and this resulted in net increase in cash held amounting to R 33,4 million. With cash and cash equivalent of R828 thousand at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R 34,3 million. This is a supporting table for table C7 –CashFlow Statement.

### Supporting Table: SC12 Capital Expenditure Trend

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

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	–	–	9 210	9 210	100,0%	0%
September	1 803	4 605	4 605	–	–	13 814	13 814	100,0%	0%
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	419	4 605	4 605	–	–	55 257	55 257	100,0%	–
<b>Total Capital expenditure</b>	<b>23 530</b>	<b>55 257</b>	<b>55 257</b>	<b>2 591</b>					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of July 2023 amounts to R 2,6 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 **July 2023** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

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

14 AUGUST 2023  
**Date**