

EPHRAIM MOGALE



LOCAL MUNICIPALITY (LIM471)

Monthly Budget Monitoring Report
(Section 71 of MFMA)

31 December 2021

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1.1 Executive summary

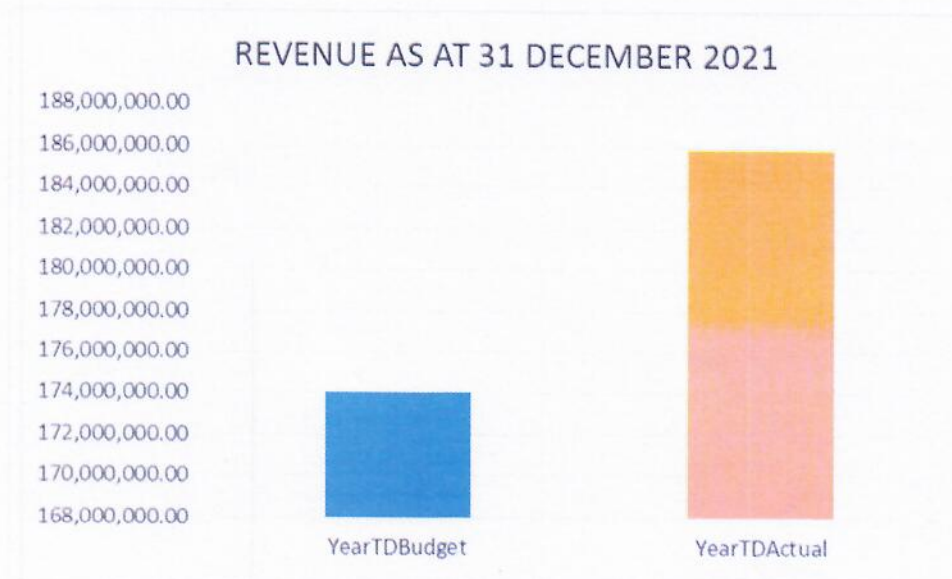
1.1.1 Introduction

Section 71(1) of the Municipal Finance Management Act (MFMA) requires from the Municipal Manager, as Accounting Officer of the Municipality, to submit a report in a prescribed format to the Mayor and respective provincial treasury within 10 working days after the end of each month on the state of the municipality's budget for that month and for the financial year up to the end of that month.

1.1.2 Consolidated Performance

1.1.2.1 Statement of financial performance (Table c2, c4)

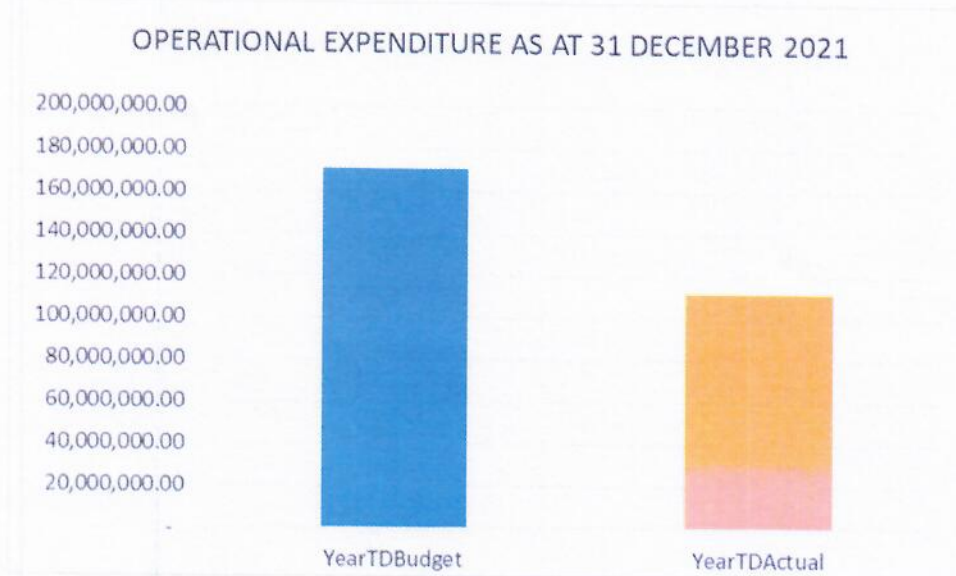
REVENUE (Table c2, c4)



The total revenue received for the month of **December 2021** amount to **R62 Million**, and the year to date Actual revenue amount to **R185 Million** in comparison to a year to date budgeted figure of **R174 Million**. There is an unfavorable variance of **7 %** which is due to the following reason.

1. The municipality is currently recognizing conditional grant such as Municipal Infrastructure Grant as liability which is the requirements with generally Accepted Accounting Practice (GRAP). This grants will only be recognized as revenue once they have meet conditions of those grants

OPERATIONAL EXPENDITURE (Table c2, c4)



Operating expenditure for the month of **December 2021** amounts to **R23 Million**, and the year to date actual is **R111 Million** which is reported against a year to date budget of **R171 Million**. There is an unfavorable variance of **R71 Million** due to the following reasons.

1. Employee related cost

This major variance is due to vacant posts not yet filled.

2. Depreciation and assets impairment

Currently the municipality is accounting for depreciation at year end.

3. Debt Impairment

Currently the municipality is accounting for debt impairment at year end

LIM471 Ephraim Mogale - Table C1 Monthly Budget Statement Summary - M06 December

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	40,096	41,763	-	3,479	20,836	20,881	(45)	-0%	41,763
Service charges	65,654	84,455	-	7,315	40,915	42,227	(1,312)	-3%	84,455
Investment revenue	1,494	2,500	-	187	809	1,250	(441)	-35%	2,500
Transfers and subsidies	193,491	170,781	-	50,999	118,476	85,391	33,085	39%	170,781
Other own revenue	22,010	13,429	-	787	4,768	6,714	(1,946)	-29%	13,429
Total Revenue (excluding capital transfers and contributions)	322,744	312,927	-	62,767	185,805	156,464	29,341	19%	312,927
Employee costs	88,917	105,987	-	11,351	48,651	52,994	(4,343)	-8%	105,987
Remuneration of Councillors	13,299	16,717	-	1,081	6,465	8,359	(1,893)	-23%	16,717
Depreciation & asset impairment	52,544	56,784	-	-	-	28,392	(28,392)	-100%	56,784
Finance charges	3,355	11	-	-	-	5	(5)	-100%	11
Inventory consumed and bulk purchases	44,109	52,171	-	3,717	22,974	26,085	(3,112)	-12%	52,171
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	66,515	111,224	-	7,567	33,780	55,613	(21,833)	-39%	111,224
Total Expenditure	268,740	342,893	-	23,716	111,870	171,449	(59,579)	-35%	342,893
Surplus/(Deficit)	54,004	(29,967)	-	39,050	73,935	(14,985)	88,920	-593%	(29,967)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	54,830	35,189	-	-	-	17,595	(17,595)	-100%	35,189
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	108,834	5,222	-	39,050	73,935	2,609	71,325	2734%	5,222
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	108,834	5,222	-	39,050	73,935	2,609	71,325	2734%	5,222
Capital expenditure & funds sources									
Capital expenditure	86,491	82,383	-	2,629	15,131	41,191	(26,061)	-63%	82,383
Capital transfers recognised	112,363	34,080	-	899	2,633	17,040	(14,407)	-85%	34,080
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	34,685	48,303	-	1,730	12,497	24,152	(11,654)	-48%	48,303
Total sources of capital funds	147,047	82,383	-	2,629	15,131	41,191	(26,061)	-63%	82,383
Financial position									
Total current assets	469,000	350,126	-	-	555,097	-	-	-	350,126
Total non current assets	847,375	917,486	-	-	862,505	-	-	-	917,486
Total current liabilities	158,287	45,082	-	-	185,579	-	-	-	45,082
Total non current liabilities	37,812	50,947	-	-	37,812	-	-	-	50,947
Community wealth/Equity	1,123,604	1,171,584	-	-	1,194,211	-	-	-	1,171,584
Cash flows									
Net cash from (used) operating	344,826	58,759	-	51,653	135,051	29,379	(105,671)	-360%	58,759
Net cash from (used) investing	(93,065)	(77,160)	-	(2,952)	(17,195)	(38,580)	(21,385)	55%	(77,160)
Net cash from (used) financing	(2,830)	-	-	10	(8)	-	8	#DIV/0!	-
Cash/cash equivalents at the month/year end	431,923	247,615	-	-	396,213	256,816	(139,397)	-54%	259,964
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

LIM471 Ephraim Mogale - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue - Functional										
Governance and administration		239,574	218,709	-	58,590	148,061	109,355	38,706	35%	218,709
Executive and council		1,269	2,149	-	15	258	1,074	(817)	-76%	2,149
Finance and administration		238,305	216,561	-	58,575	147,803	108,280	39,523	37%	216,561
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		252	240	-	17	125	120	4	4%	240
Community and social services		72	56	-	4	48	28	20	72%	56
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		179	184	-	13	76	92	(16)	-17%	184
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		54,861	35,221	-	-	30	17,611	(17,581)	-100%	35,221
Planning and development		31	32	-	-	30	16	13	83%	32
Road transport		54,830	35,189	-	-	-	17,595	(17,595)	-100%	35,189
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		77,770	88,487	-	4,157	37,538	44,244	(6,706)	-15%	88,487
Energy sources		72,433	82,925	-	3,685	34,770	41,462	(6,693)	-16%	82,925
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		5,337	5,563	-	472	2,768	2,781	(13)	0%	5,563
Other	4	5,117	5,458	-	2	52	2,729	(2,677)	-98%	5,458
Total Revenue - Functional	2	377,574	348,116	-	62,767	185,805	174,058	11,747	7%	348,116
Expenditure - Functional										
Governance and administration		162,999	198,485	-	12,357	55,936	99,243	(43,307)	-44%	198,485
Executive and council		36,918	44,331	-	3,855	18,885	22,166	(3,281)	-15%	44,331
Finance and administration		126,082	154,153	-	8,503	37,051	77,077	(40,026)	-52%	154,153
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		17,927	27,260	-	2,101	10,247	13,631	(3,384)	-25%	27,260
Community and social services		7,350	9,991	-	867	4,254	4,996	(742)	-15%	9,991
Sport and recreation		1,164	2,442	-	143	866	1,221	(355)	-29%	2,442
Public safety		-	-	-	-	-	-	-	-	-
Housing		4,537	8,936	-	566	2,523	4,468	(1,945)	-44%	8,936
Health		4,875	5,891	-	525	2,604	2,946	(342)	-12%	5,891
Economic and environmental services		16,626	26,549	-	2,186	8,452	13,275	(4,823)	-36%	26,549
Planning and development		5,531	12,967	-	728	2,622	6,464	(3,861)	-60%	12,967
Road transport		11,096	13,582	-	1,458	5,830	6,791	(961)	-14%	13,582
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		58,934	76,073	-	5,122	29,824	38,036	(8,212)	-22%	76,073
Energy sources		53,855	68,967	-	4,725	27,224	34,484	(7,259)	-21%	68,967
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		5,078	7,106	-	397	2,600	3,553	(953)	-27%	7,106
Other		12,254	14,527	-	1,950	7,411	7,263	147	2%	14,527
Total Expenditure - Functional	3	268,740	342,893	-	23,716	111,870	171,449	(59,579)	-35%	342,893
Surplus/ (Deficit) for the year		108,834	5,222	-	39,050	73,935	2,609	71,325	2734%	5,222

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in the Financial Performance Statement
3. Total Expenditure by functional classification must reconcile to total operating expenditure shown in 'Financial Performance Statement'
4. All amounts must be classified under a functional classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

LIM471 Ephraim Mogale - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2020/21	Budget Year			YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual					
R thousands										
Revenue by Vote	1									
Vote 1 - Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-		-
Vote 2 - Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-		-
Vote 3 - Vote 3 - FINANCE		-	-	-	-	-	-	-		-
Vote 4 - Vote 4 - CORPORATE SERVICES MANAGEMENT		-	(10)	-	-	-	(5)	5	-100.0%	(10)
Vote 5 - Vote 5 - TECHNICAL SERVICES		127,442	118,298	-	3,698	34,846	59,149	(24,303)	-41.1%	118,298
Vote 6 - Vote 6 - PLANNING & ECONOMIC DEVELOPMENT		1,300	2,181	-	15	287	1,090	(803)	-73.7%	2,181
Vote 7 - Vote 7 - COMMUNITY SERVICES MANAGEMENT		10,526	11,077	-	479	2,868	5,538	(2,670)	-48.2%	11,077
Vote 8 -		-	-	-	-	-	-	-		-
Vote 9 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 -		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	139,269	131,545	-	4,192	38,002	65,773	(27,771)	-42.2%	131,545
Expenditure by Vote	1									
Vote 1 - Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-		-
Vote 2 - Vote 2 - MUNICIPAL MANAGER		11,020	13,156	-	1,251	6,749	6,578	171	2.6%	13,156
Vote 3 - Vote 3 - FINANCE		7,651	9,787	-	786	4,129	4,893	(764)	-15.6%	9,787
Vote 4 - Vote 4 - CORPORATE SERVICES MANAGEMENT		29,678	40,895	-	3,253	16,662	20,448	(3,786)	-18.5%	40,895
Vote 5 - Vote 5 - TECHNICAL SERVICES		69,488	91,485	-	6,749	35,577	45,743	(10,166)	-22.2%	91,485
Vote 6 - Vote 6 - PLANNING & ECONOMIC DEVELOPMENT		31,429	44,142	-	3,332	14,758	22,072	(7,314)	-33.1%	44,142
Vote 7 - Vote 7 - COMMUNITY SERVICES MANAGEMENT		30,721	39,957	-	3,882	17,734	19,979	(2,245)	-11.2%	39,957
Vote 8 -		-	-	-	-	-	-	-		-
Vote 9 -		-	-	-	-	-	-	-		-
Vote 10 -		-	-	-	-	-	-	-		-
Vote 11 -		-	-	-	-	-	-	-		-
Vote 12 -		-	-	-	-	-	-	-		-
Vote 13 -		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 -		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	179,987	239,422	-	19,252	95,610	119,713	(24,103)	-20.1%	239,422
Surplus/ (Deficit) for the year	2	(40,718)	(107,877)	-	(15,060)	(57,608)	(53,940)	(3,668)	6.8%	(107,877)

References

1. Insert 'Vote'; e.g. Department, if different to standard classification structure
2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)

LIM471 Ephraim Mogale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Vote Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		40,096	41,763	-	3,479	20,836	20,881	(45)	0%	41,763
Service charges - electricity revenue		60,317	78,892	-	6,844	38,147	39,446	(1,299)	-3%	78,892
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		5,337	5,563	-	472	2,768	2,781	(13)	0%	5,563
Rental of facilities and equipment		175	180	-	13	75	90	(15)	-17%	180
Interest earned - external investments		1,494	2,500	-	187	809	1,260	(441)	-35%	2,500
Interest earned - outstanding debtors		7,354	6,650	-	750	4,238	3,325	914	27%	6,650
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		365	180	-	2	52	80	(28)	-36%	180
Licences and permits		4,767	5,311	-	-	-	2,656	(2,656)	-100%	5,311
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		193,491	170,781	-	50,999	118,476	85,391	33,085	39%	170,781
Other revenue		9,349	1,127	-	22	403	563	(161)	-28%	1,127
Gains		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		322,744	312,927	-	62,767	185,805	166,464	29,341	19%	312,927
Expenditure By Type										
Employee related costs		88,917	105,987	-	11,351	48,651	52,994	(4,343)	-8%	105,987
Remuneration of councillors		13,299	16,717	-	1,081	6,465	8,369	(1,893)	-23%	16,717
Debt impairment		13,458	14,546	-	-	-	7,273	(7,273)	-100%	14,546
Depreciation & asset impairment		52,544	56,784	-	-	-	28,392	(28,392)	-100%	56,784
Finance charges		3,355	11	-	-	-	5	(5)	-100%	11
Bulk purchases - electricity		42,460	49,795	-	3,594	22,148	24,898	(2,749)	-11%	49,795
Inventory consumed		1,648	2,376	-	123	825	1,188	(363)	-31%	2,376
Contracted services		28,880	48,798	-	3,307	16,410	24,399	(7,989)	-33%	48,798
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		28,269	47,880	-	4,260	17,370	23,941	(6,571)	-27%	47,880
Losses		(4,092)	-	-	-	-	-	-	-	-
Total Expenditure		268,740	342,893	-	23,716	111,870	171,449	(59,579)	-35%	342,893
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		54,004	(29,967)	-	39,050	73,935	(14,985)	88,920	(0)	(29,967)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		54,830	35,189	-	-	-	17,595	(17,595)	(0)	35,189
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		108,834	5,222	-	39,050	73,935	2,609			5,222
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		108,834	5,222	-	39,050	73,935	2,609			5,222
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		108,834	5,222	-	39,050	73,935	2,609			5,222
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		108,834	5,222	-	39,050	73,935	2,609			5,222

References

1. Material variances to be explained on Table SC1

Total Revenue (excluding capital transfers and contributions) including cap	377,574	348,116		62,767	185,805	174,058				348,116
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LIM471 Ephraim Mogale - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - Vote 3 - FINANCE		-	-	-	-	-	-	-	-	-
Vote 4 - Vote 4 - CORPORATE SERVICES MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 5 - Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - Vote 6 - PLANNING & ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - Vote 7 - COMMUNITY SERVICES MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - Vote 3 - FINANCE		4,124	650	-	-	-	325	(325)	-100%	650
Vote 4 - Vote 4 - CORPORATE SERVICES MANAGEMENT		887	2,100	-	-	17	1,050	(1,033)	-98%	2,100
Vote 5 - Vote 5 - TECHNICAL SERVICES		81,324	76,413	-	2,629	15,104	38,206	(23,102)	-60%	76,413
Vote 6 - Vote 6 - PLANNING & ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - Vote 7 - COMMUNITY SERVICES MANAGEMENT		155	3,220	-	-	10	1,610	(1,600)	-99%	3,220
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	86,491	82,383	-	2,629	15,131	41,191	(26,061)	-63%	82,383
Total Capital Expenditure		86,491	82,383	-	2,629	15,131	41,191	(26,061)	-63%	82,383
Capital Expenditure - Functional Classification										
Governance and administration		5,052	2,750	-	-	17	1,375	(1,358)	-99%	2,750
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		5,052	2,750	-	-	17	1,375	(1,358)	-99%	2,750
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		370	670	-	-	10	335	(325)	-97%	670
Community and social services		155	620	-	-	10	310	(300)	-97%	620
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		215	50	-	-	-	25	(25)	-100%	50
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		74,787	63,730	-	2,575	10,999	31,865	(20,866)	-65%	63,730
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		74,787	63,730	-	2,575	10,999	31,865	(20,866)	-65%	63,730
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		6,322	15,233	-	54	4,105	7,617	(3,511)	-46%	15,233
Energy sources		6,322	12,633	-	54	4,105	6,317	(2,211)	-35%	12,633
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	2,600	-	-	-	1,300	(1,300)	-100%	2,600
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	86,531	82,383	-	2,629	15,131	41,191	(26,061)	-63%	82,383
Funded by:										
National Government		112,363	34,080	-	899	2,633	17,040	(14,407)	-85%	34,080
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-

LIM471 Ephraim Mogale - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

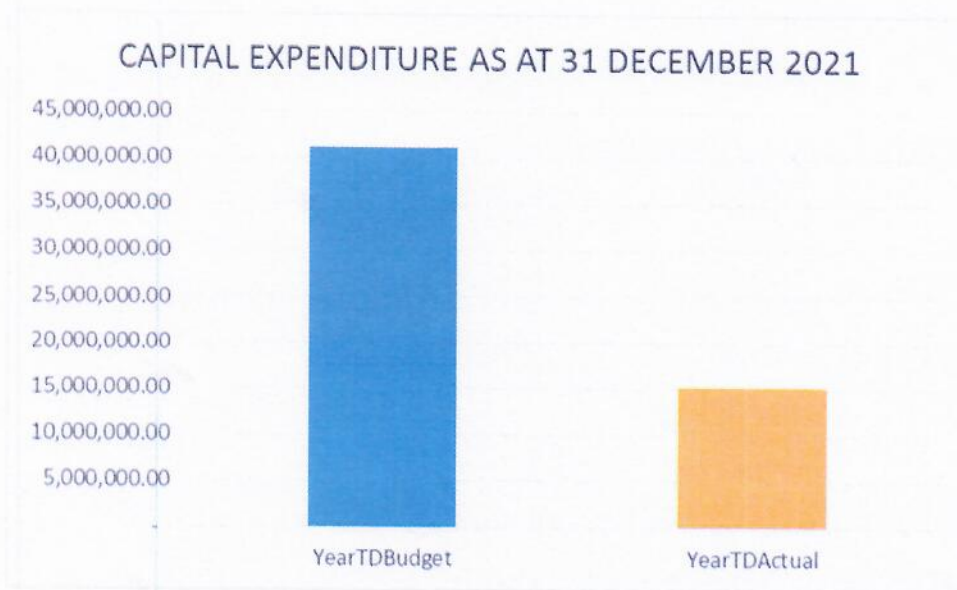
Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		112,363	34,080	-	899	2,633	17,040	(14,407)	-85%	34,080
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		34,685	48,303	-	1,730	12,497	24,152	(11,654)	-48%	48,303
Total Capital Funding		147,047	82,383	-	2,629	15,131	41,191	(26,061)	-63%	82,383

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment
3. Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations
4. Include expenditure on investment property, intangible and biological assets
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

check balance -60,556,592.1

1.1.2.2 CAPITAL EXPENDITURE (Table C5)



Capital expenditure for the month of **December** amounts to **R2.6 million which** and the year to date actual is **R 15 million which** is reported against a year to date budget of **R41 Million**. There is an unfavorable variance of **R26 Million** due to non-spending in capital budget in the first month of the financial year.

Capital budget as at 31 December 2021

Function	SegmentDesc	Total-Budget	Total-Actual	Remaining-Budget
Administration	Heavy duty shredder	80,000.00	-	80,000.00
Administration	Capital Fund Purchase of Furniture (500/305065)	200,000.00	-	200,000.00
Parks & Cemeteries	Capital Fund Landscaping & Greening (425/305071)	500,000.00	9,950.00	490,050.00
Parks & Cemeteries	BUSH CUTTERS	120,000.00	-	120,000.00
Electricity	Capital Fund Network Design Software	80,000.00	54,060.00	25,940.00
Electricity	Radio Repeter	70,000.00	-	70,000.00
Electricity	Capital Fund Upgrade Municipal ESKON Supply	3,000,000.00	-	3,000,000.00
Electricity	Replace 35MM PILC 11KV Cable ERF 181-830	2,000,000.00	-	2,000,000.00
Electricity	Replce 20 kWh meters	50,000.00	-	50,000.00
Electricity	Electrical Infrastructure	790,000.00	165,687.31	624,312.69
Electricity	Manapyan High Mass Lights	2,788,000.00	2,377,347.37	410,652.63
Electricity	Uitvlught Highmast Light	1,715,000.00	1,431,659.01	283,340.99
Electricity	Replace 30 kWh meters	90,000.00	-	90,000.00
Electricity	Electrical Infrastructure	200,000.00	-	200,000.00
Electricity	Electrical Infrastructure	200,000.00	-	200,000.00
Electricity	Capital Fund Truck Mounted Crane	1,000,000.00	-	1,000,000.00
Electricity	Quality of supply recorders	600,000.00	-	600,000.00
Electricity	Tool sets	50,000.00	-	50,000.00
Fleet Mangement	TOOLS & EQUIPMENTS	50,000.00	-	50,000.00
Fleet Mangement	Finance Bakkie	600,000.00	-	600,000.00
Housing and Building	Capital Fund Air Conditioning	50,000.00	-	50,000.00
(ICT)	SWITCH	40,000.00	16,660.00	23,340.00
(ICT)	Capital Fund ICT Computers	250,000.00	-	250,000.00
(ICT)	Capital Fund Purchase of routers and wireless access	200,000.00	-	200,000.00
(ICT)	WIFI	1,000,000.00	-	1,000,000.00
(ICT)	Capital Fund PURCHASE OF PRINTERS	150,000.00	-	150,000.00
(ICT)	SERVER	180,000.00	-	180,000.00
Roads & Stormwater 1	Leeufontein Sports Complex	1,500,000.00	-	1,500,000.00
Roads & Stormwater 1	Mamphokgo Sports Complex	300,000.00	-	300,000.00
Roads & Stormwater 1	Truck Mounted Crane	250,000.00	-	250,000.00
Roads & Stormwater 1	Capital Fund Stormwater Extension 6(650/305147)	5,000,000.00	-	5,000,000.00
Roads& Stormwater (650)	Spitzpunt community hall	3,500,000.00	-	3,500,000.00
Roads& Stormwater (650)	Tshikanoshi Sports Complex	6,000,000.00	1,675,969.52	4,324,030.48
Roads& Stormwater (650)	Purchase of TLB	1,300,000.00	-	1,300,000.00
Roads& Stormwater (650)	Purchasing of saw cutter	200,000.00	-	200,000.00
Roads& Stormwater (650)	Purchasing of Dumper	650,000.00	-	650,000.00
Roads& Stormwater (650)	Phetwane Internal Road (650/305184)	2,693,651.00	2,305,188.50	388,462.50
Roads& Stormwater (650)	Matlala Ramoshebo Internal Route (4.5KM)	1,500,000.00	1,240,245.32	259,754.68
Roads& Stormwater (650)	Mokgwaneng Internal road	1,500,000.00	609,241.47	890,758.53
Roads& Stormwater (650)	Mathukuthela Internal Road	1,500,000.00	1,204,811.82	295,188.18
Roads& Stormwater (650)	Moeding Internal street	2,000,000.00	109,983.00	1,890,017.00
Roads& Stormwater (650)	Drefontein internal road	1,500,000.00	1,174,767.41	325,232.59
Roads& Stormwater (650)	Uitvlught Internal Bus Route	1,500,000.00	1,157,225.36	342,774.64
Roads& Stormwater (650)	Matlerekeng internal bus route	1,500,000.00	1,193,302.91	306,697.09
Roads& Stormwater (650)	Mohlalaothwane	7,189,000.00	-	7,189,000.00
Roads& Stormwater (650)	Regae Bus Route	8,500,000.00	-	8,500,000.00
Roads& Stormwater (650)	Mabitsi Internal Road	6,546,899.00	328,069.89	6,218,829.11
Roads& Stormwater (650)	Morarela Internal Road	8,500,000.00	-	8,500,000.00
Roads& Stormwater (650)	Vehicle	600,000.00	-	600,000.00
Solid Waste	508 REFUSE CONTAINER	700,000.00	-	700,000.00
Solid Waste	Compactor Truck	1,900,000.00	-	1,900,000.00
TOTAL		82,382,550.00	15,341,536.09	67,041,013.91

1.1.2.3 FINANCIAL POSITION

The municipality will be able to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels.

CASH FLOW STATEMENT

The cash flow statement report for **December 2021** indicates a favourable/positive closing balance (cash and cash equivalents).

1.2.2.5 Conclusion

The total spending on the overall capital and operational budget of 2021/2022 financial year is **18%** and **32%** respectively, as at **31 December 2021**.

1.2 In-Year budget statement tables:

1.2.1 Table C2: Monthly Budget Statement - Financial Performance (standard Classification)

This table reflects the operating budget (Financial Performance) in the standard classifications which is the Government Finance Statistics Functions and Sub-function. These are used by National Treasury to assist in the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures being used by the different institutions. The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services. It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3. (See executive summary for detail explanation on variances).

1.1.2 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure)

Table C4 indicates revenue by source which indicates the types of income budgeted for and the performance of these items individually and expenditure by type reflecting operational budget per main type/category of expenditure. (See executive summary for detail explanation on variances)

1.1.3 Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

Table c5 indicates capital expenditure budget and performance by vote. (See executive summary For detail explanation on variances)

1.2.6 Table C6: Monthly Budget Statement - Financial Position

This format of presenting the statement of financial position aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

1.2.7 Table C7: Monthly Budget Statement - Cash Flow

The municipality cash flow shows a favourable/positive balance.

PART 2 – SUPPORTING DOCUMENTS

2.1 Debtors' Analysis

AGEING REPORT DECEMBER 2021 GL							
Type of Service	30 Days	60 Days	90 Days	120 Days	150 Days	150 Plus	Total
	202111	202110	202109	202108	202107	202106	
<i>Rates</i>	3087305.86	1948109.94	1835035.04	1730784.39	1835035.04	9494504.17	19,930,774.44
<i>Electricity</i>	4778290.66	433145.17	164172.34	124042.62	120266.39	660742.21	6,280,659.39
<i>Refuse</i>	400275.88	169740.26	146962.68	141372.68	138115.12	768114.94	5,333,384.19
<i>Other</i>	1606609.34	2,550,995.37	2,146,170.06	1,996,199.69	2,093,416.55	10,923,361.32	141,110,488.49
Total	9,872,481.74	3,002,367.87	2,835,811.35	2,810,819.78	12,647,295.88	135,351,596.79	172,655,306.51

Category	202111	202110	202109	202108	202107	202106	Total
<i>Psi</i>	2402.04	2395.65	2392.5	2389.35	2386.2	13907.36	198,604.18
<i>Farms / agri</i>	1933515.78	1615776.75	1576479.51	1550419.78	1524346.64	8668985.81	89,622,263.15
<i>Business</i>	3506089.21	607090.81	345713.27	246184.96	240692.51	1247149.71	14,663,797.13
<i>Churches</i>	22475.21	-4161.59	4103.01	4087.69	4312.59	23515.87	189,225.24
<i>Commercial</i>	0	0	0	0	0	0	29,222.58
<i>Domestic</i>	0	0	0	0	0	0	15,900.87
<i>Industrial</i>	1758924.63	196680.98	202169.55	185366.98	191247.99	930133.61	11,484,084.72
<i>Municipality</i>	5889.79	2363.1	2468.86	2429.71	2459.46	28169.06	259,187.66
<i>Residential</i>	2589945.32	967175.07	857056.48	837232.38	837713.59	4450709.67	56,068,120.25
<i>School/hosp</i>	53239.76	13206.57	11984.69	7700.5	7660.8	19130.55	124,900.73
Total	9,872,481.74	3,400,527.34	3,002,367.87	2,835,811.35	2,810,819.78	15,381,701.64	172,655,306.51

The Debtors report has been prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended aged analysis, as well as an aged analysis by debtor type. Outstanding debtors as at **31 December 2021** amount to **R172 Million**.

2.2 Creditors' Analysis

The Municipality is paying its creditors within 30 days as prescribed by MFMA.

2.3 Investment portfolio analysis

There were no investments made.

2.4 Allocation and grants receipts expenditure

There were no Grants received for the December 2021.

2.5 Councilors allowances and Employee benefit

The employee benefits and councilors allowance for **31 December 2021** is **R15.7 Million** and **R1.9 Million** respectively.



EPHRAIM MOGALE LOCAL MUNICIPALITY

QUALITY CERTIFICATE

I, **Matladi ST** the Municipal Manager of **Ephraim Mogale Local Municipality**, here by certify that-

- the monthly budget statement

For the month of **December 2021** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act

Print name **Matladi ST**

Municipal Manager of **Ephraim Mogale Local Municipality (LIM471)**

Signature _____

Date 12/01/2022