

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

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Part 1: Section 1: Budget Statement

1.1 Mayor's Report

Purpose

The purpose of this report is to comply with Section 52 (d) of the Municipal Finance Management Act (MFMA No.56 of 2003) and the requirements Municipal budgeting and reporting requirements (MBRR) as promulgated in Government Gazette No 32141 of 17 April 2009.

Section 52(d) of the MFMA read together with Regulation 31 of the Municipal Budget and Reporting Regulations state that the Mayor of a municipality must, within 30 days after the end of each quarter submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality. Regulation 31 of the MBRR further states that the report in question must be prepared in accordance with format and content of the prescribed Schedule C of the MBRR.

Discussion

Moses Kotane Local Municipality complies the MFMA Section 71 and 52(d) in-year monitoring reports in the prescribed format as per the Municipal Budget and Reporting Regulations.

Monthly reporting

Monthly financial reporting as per DoRA and MFMA requirements to Council, National & Provincial Departments and other stakeholders have been adequately adhered to for the period under review.

1.2. Resolutions

The following recommendation will be presented to Council for its resolution when the in-year report is tabled.

Recommendations:

- That the Council considers the quarterly budget statement, performance assessment report and supporting documentation for the quarter ending 30 September 2023.
- That the Section 52 (d) report be submitted to Provincial and National Treasury as prescribed.

1.3. Executive Summary

The purpose of this report is to submit the Financial Quarterly Report in terms of Section 52(d) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) for the 1st Quarter of the 2023/2024 financial year.

The Municipal Budget and Reporting Regulation No. 31 states that the quarterly budget statement report on the implementation of the budget and state of financial affairs of the municipality as required by Section 52 (d) must be –

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- a) In the format specified in Schedule C and include all required tables, charts and explanatory notes, taking into account any guidelines issued by the Minister in terms of section 168 (1) of the MFMA.
- b) Consistent with the monthly budget statements for the September, December, March and June as applicable; and
- c) Submit to the National Treasury and relevant Provincial Treasury within 5 days of tabling of the report in Council.

The executive summary of the monthly statement must cover at least the following:

- a) The municipality’s consolidated performance, in relation to both the approved annual budget and the latest approved adjustments budget, with specific reference to the in-year report tables, charts and explanations.
- b) Any material variances from service delivery and budget implementation plan.
- c) Any remedial or corrective steps taken or to be taken to ensure that the projected revenue and expenditure remain within the approved budget.

The contents of this reports is indicative of all financial transactions, including debtors, expenditure, revenue, investments, grants, cash flow and the budget implementation status as guided by MFMA and the relevant Regulations.

Moses Kotane Local Municipality’s financial performance is discussed below from the performance against the approved budget. The report provides a synopsis of the financial status of the municipality.

The table below indicates the Financial Performance for the quarter ending 30th September 2023, reflecting the actual performance against the allocated budget.

1.4. Performance against the Operating Budget

ACTUAL vs ORIGINAL BUDGET as at 30 SEPTEMBER 2023				
	2023/2024 ORIGINAL BUDGET	YTD ACTUAL	AVAILABLE BUDGET	% SPENT
TOTAL REVENUE	1 077 484 189	349 373 484	728 110 705	32%
TOTAL EXPENDITURE	1 212 357 874	946 807 911	265 549 963	78%
CAPITAL EXPENDITURE	244 590 790	39 070 885	205 519 905	16%

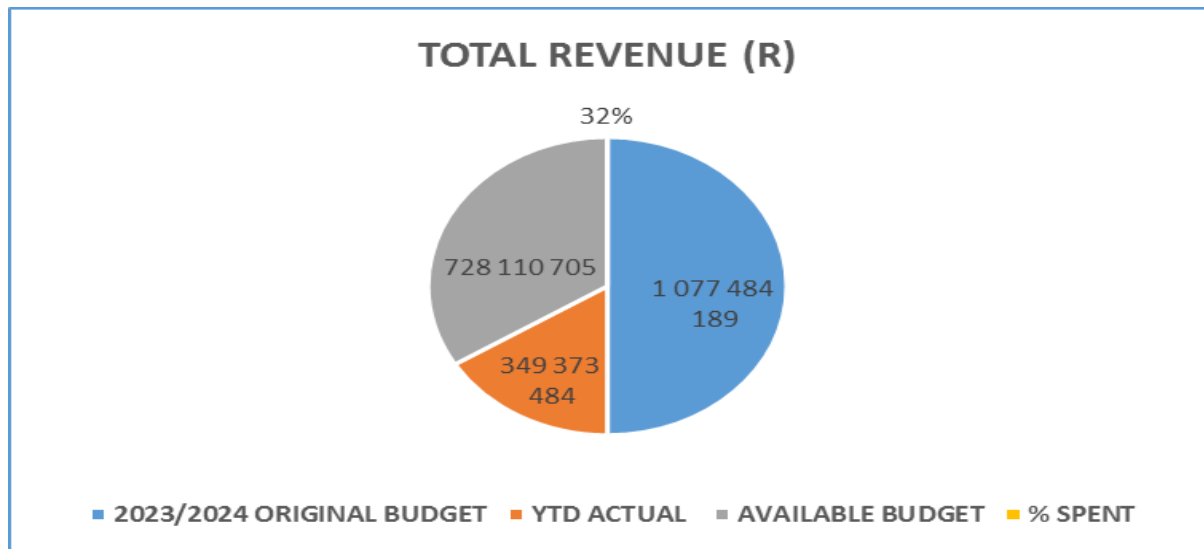
Operating revenue generated as at the reporting period amount to R349.3 million which translates to 32% when compared to the allocated budget. Year to date expenditure for the same period amounts to R946.8 million or 78% of the appropriated expenditure budget.

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Operating Revenue

The table below reflects operating revenue performance per revenue item. Over performance was recorded on interest and operating grants.

INCOME					
Revenue Sources	22023/24 Budget	Actual	Year to date	Available	% Spent
SEPTEMBER 2023					
Property Rates	154 525 327	12 543 703	36 715 449	117 809 878	23,76%
Service charges - water revenue	222 520 040	17 324 368	44 791 418	177 728 622	20,13%
Service charges - sanitation revenue	6 036 429	422 591	1 233 942	4 802 487	20,44%
Service charges - refuse revenue	12 276 619	1 066 065	3 193 663	9 082 956	26,01%
Interest earned - external investments	6 251 100	1 053 095	4 132 845	2 118 255	66,11%
Interest earned - outstanding debtors	88 198 539	6 869 618	20 471 916	67 726 623	23,21%
Traffic Fines	2 000 000			2 000 000	0,00%
Licence Applications	2 000 000	64 250	253 722	1 746 278	12,69%
Transfers recognised - operational	581 763 210	4 469 388	240 338 388	341 424 822	41,31%
Rental of facilities and equipment	187 742	17 634	25 972	161 770	13,83%
Other revenue	1 725 183	-2 329 656	-1 783 832	3 509 015	-103,40%
TOTAL REVENUE	1 077 484 189	41 501 056,21	349 373 483,59	728 110 705	32,42%



The total revenue generated as at 30 September 2023 amounts to R349.3 million or 32% against the total budget of R1,077 billion. Of the total amount generated to date, 32% relates to own revenue while operational grants contributed 68%. This indicates that the municipality relies on government grants to fund its day to day expenses.

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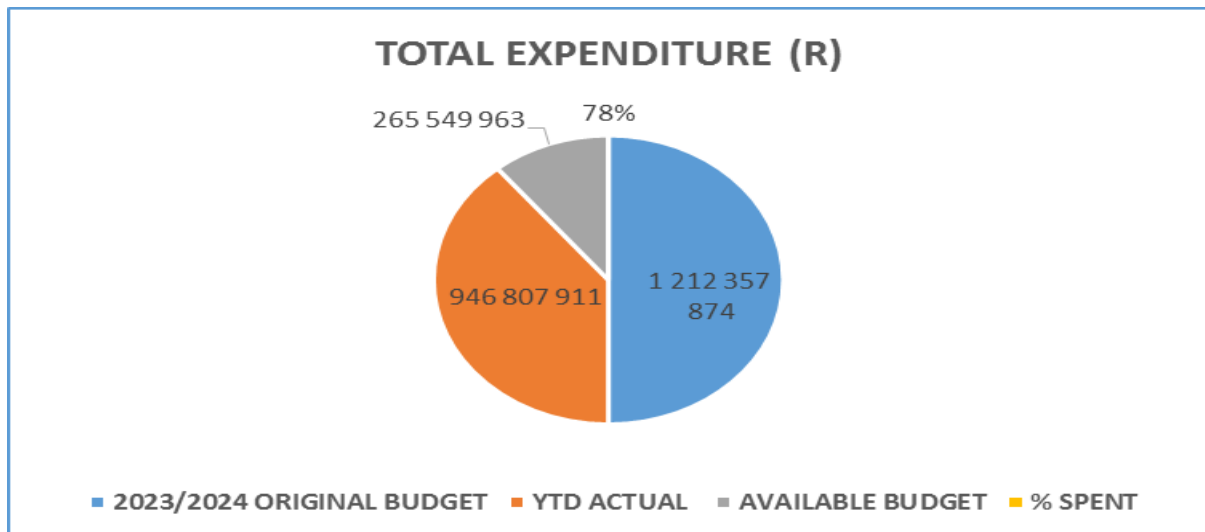
The table below reflects the performance of grants received in the 1st quarter of the financial year.

GRANT PERFORMANCE					
DESCRIPTION	BUDGET	RECEIVED	CONDITIONS SPEND	% Spending / Budget	% Spending/ Received
EQUITABLE SHARE	566,087,000	235,869,900	139,518,088	24.65%	59.15%
MIG CAPITAL PROJECTS	171,840,790	35,836,790	26,579,302	15.47%	74.17%
WSIG CAPITAL PROJECTS	65,000,000	20,000,000	12,438,172	19.14%	62.19%
FMG GRANT	1,950,000	1,950,000	268,444	13.77%	13.77%
EPWP	1,629,000	407,000	149,957	9.21%	36.84%
PMU	8,097,210	8,097,210	1,537,468	18.99%	18.99%
LIBRARY		1,200,000	91,526		7.63%
EEDMS	4,000,000	1,000,000	2,513,520	62.84%	251.35%
TOTAL	818,604,000	304,360,900	183,096,476.71	22.37%	60.16%

Operating Expenditure

OPERATING EXPENDITURE					
Expenditure Item	22023/24 Budget	Actual	Year to date	Available	% Spent
	SEPTEMBER 2023				
Employee Related Cost and Allowance of Council	324 468 862	26 692 857	80 940 791	243 528 071	24,95%
Contracted Services	140 090 262	10 684 404	27 112 429	112 977 833	19,35%
Operational Cost	79 781 400	3 864 025	15 558 517	64 222 883	19,50%
Inventory	150 155 000	4 073 997	5 275 583	144 879 417	3,51%
Bulk Purchases Electricity	25 000 000	830 119	7 592 112	17 407 888	30,37%
Interest on External Loans	5 600 000	15 048	25 395	5 574 605	0,45%
Operating Leases	3 500 000	1 471 561	5 005 215	-1 505 215	143,01%
Bad debts Written Off	328 721 071		805 297 869	-476 576 798	244,98%
Depreciation	155 041 279			155 041 279	0,00%
TOTAL EXPENDITURE	1 212 357 874	47 632 011	946 807 911	265 549 963	78,10%

Total operating expenditure incurred as at 30th September 2023 amounted to R 949.2 which equates 78.1% of the total budget of R1.2 million.



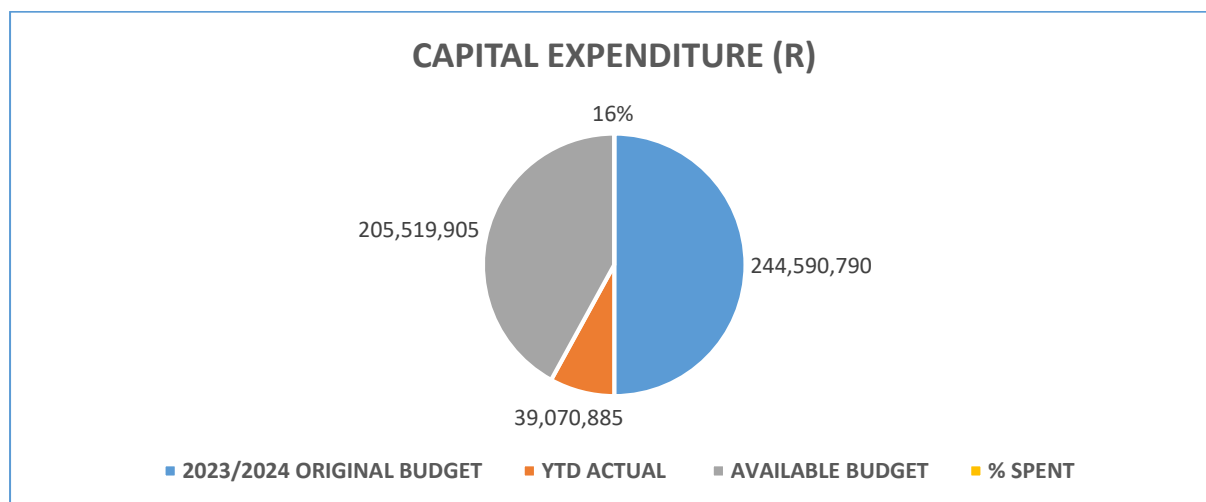
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Over performance occurred on the operating expenditure occurred as a result of bad debts written off against the debtors' book, which accounts for R805.2 million or 85% of the reported spending.

1.5. Capital Expenditure

The table below reflects capital expenditure for the first quarter of 2023/2024 financial year.

ACTUAL vs ORIGINAL BUDGET AS AT 30 SEPTEMBER 2023				
CAPITAL EXPENDITURE				
	2023/2024 ORIGINAL BUDGET	YTD ACTUAL	AVAILABLE BUDGET	% SPENT
CAPITAL EXPENDITURE	244,590,790	39,070,885	205,519,905	16%



The capital expenditure reported for the period under review amounts to R39 million or 16% of allocated budget of R244.5 million. The performance reflected above is VAT inclusive. It must further be noted that the year to date spending of what is reflected on the C-schedule is VAT exclusive. The capital budget is mainly funded from MIG and WSIG grants for the current financial year.

Expenditure was mainly incurred on water and roads projects at 77% and 23% of the total capital expenditure respectively

1.6. Material Variances From SDBIP

Operating expenditure performance exceeded the SDBIP target as a result of R805.2 million of irrecoverable debt written off.

1.7. Remedial Corrective Steps

Over spending on irrecoverable debt written off will be adjusted accordingly during the main adjustment budget period in February 2024.

Strict expenditure and cash flow management will be enforced to save costs in order to improve the budget status of the municipality. SCM processes, without

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compromising compliance, will also be expedited to ensure that capital grants are fully spent at year end to avoid roll overs or reverting funds to Treasury. In-year monitoring reports will be utilised as an early warning system and corrective measures be taken to curb non-compliance.

Section 2 - In-Year Budget Statement Tables

If a municipality does not have any municipalities, the in-year budget statement tables must consist of the following tables:

- (a) Table C1 Monthly Budget Statement Summary
- (b) Table C2 Monthly Budget Statement -Financial Performance (standard classification)
- (c) Table C3 Monthly Budget Statement- Financial Performance (revenue and expenditure by municipal vote)
- (d) Table C4 Monthly Budget Statement-Financial Performance (revenue and expenditure)
- (e) Table C5 Monthly Budget Statement- Capital Expenditure (municipal vote, standard classification and funding)
- (f) Table C6 Monthly Budget Statement- Financial Position
- (g) Table C7 Monthly Budget Statement Cash Flow

If a municipality does have one or more municipal entities, the adjustments budget tables must consist of -

- (a) The tables mentioned above, and
- (b) The tables in the Second Attachment to this Schedule, namely-
 - (i) Table C1 Consolidated Monthly Budget Statement Summary
 - (ii) Table C2 Consolidated Monthly Budget Statement -Financial Performance (standard classification)
 - (iii) Table C3 Consolidated Monthly Budget Statement- Financial Performance (revenue and expenditure by municipal vote)
 - (iv) Table C4 Consolidated Monthly Budget Statement -Financial Performance (revenue and expenditure)
 - (v) Table C5 Consolidated Monthly Budget Statement- Capital Expenditure (municipal vote, standard classification and funding)
 - (vi) Table C6 Consolidated Monthly Budget Statement- Financial Position
 - (vii) Table C7 Consolidated Monthly Budget Statement -Cash Flow

Supporting information and explanations of trends and anomalies must be presented for each table where such presentation will assist with the information contained in the tables.

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2.1 Table C1: Monthly Budget Statements Summary

The table below comprises of a summary information from the statement of financial performance, capital expenditure and funding, financial position, cash flow debtors and creditors.

NW375 Moses Kotane - Table C1 Monthly Budget Statement Summary - M03 September

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	124 807	154 525	154 525	12 544	36 715	38 631	(1 916)	-5%	154 525
Service charges	194 662	240 833	240 833	16 336	46 742	60 208	(13 467)	-22%	240 833
Investment revenue	9 745	-	-	-	-	-	-		-
Transfers and subsidies - Operational	9 745	6 251	6 251	1 053	4 133	1 563	2 570	164%	6 251
Other own revenue	636 045	675 875	675 875	11 569	261 784	168 969	92 815	55%	-
Total Revenue (excluding capital transfers and contributions)	975 004	1 077 484	1 077 484	41 501	349 373	269 371	80 002	30%	1 077 484
Employee costs	283 415	296 872	296 872	25 040	75 619	74 219	1 400		296 872
Remuneration of Councillors	25 874	27 597	27 597	1 652	5 322	6 899	(1 577)		27 597
Depreciation and amortisation	132 550	155 041	155 041	-	-	38 760	(38 760)		155 041
Interest	5 619	5 600	5 600	15	25	1 400	(1 375)		5 600
Inventory consumed and bulk purchases	177 046	175 155	175 155	4 904	12 868	43 789	(30 921)		175 155
Transfers and subsidies	-	-	-	-	-	-	-		-
Other expenditure	424 113	552 093	552 093	16 020	852 974	138 023	714 951	518%	552 093
Total Expenditure	1 048 617	1 212 358	1 212 358	47 632	946 808	303 090	643 718	212%	1 212 358
Surplus/(Deficit)	(73 613)	(134 874)	(134 874)	(6 131)	(597 434)	(33 719)	(563 715)	1672%	(134 874)
Transfers and subsidies - capital (monetary)	217 386	236 841	236 841	39 017	39 017	-	###	#DIV/0!	236 841
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	143 773	101 967	101 967	32 887	(558 417)	(33 719)	(524 698)	1556%	101 967
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	143 773	101 967	101 967	32 887	(558 417)	(33 719)	(524 698)	1556%	101 967
Capital expenditure & funds sources									
Capital expenditure	8 803	244 591	244 591	17 796	36 273	61 148	(24 874)	-41%	244 591
Capital transfers recognised	8 697	236 841	236 841	17 796	36 220	59 210	(22 990)	-39%	236 841
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	106	7 750	7 750	-	53	1 938	(1 884)	-97%	7 750
Total sources of capital funds	8 803	244 591	244 591	17 796	36 273	61 148	(24 874)	-41%	244 591
Financial position									
Total current assets	446 473	229 074	229 074		(252 045)				229 074
Total non current assets	3 152 582	3 619 431	3 619 431		3 188 856				3 619 431
Total current liabilities	378 290	192 126	192 126		274 474				192 126
Total non current liabilities	70 749	72 328	72 328		70 749				72 328
Community wealth/Equity	3 266 622	3 482 085	3 482 085		2 591 588				3 482 085
Cash flows									
Net cash from (used) operating	1 229 633	252 337	252 337	284 717	303 068	63 084	(239 983)	-380%	252 337
Net cash from (used) investing	(8 817)	(244 591)	(244 591)	(17 796)	(36 273)	(61 148)	(24 874)	41%	(244 591)
Net cash from (used) financing	(5 813)	(12 820)	(12 820)	(224)	(809)	(3 205)	(2 396)	75%	(12 820)
Cash/cash equivalents at the month/year end	1 251 883	63 660	63 660	-	304 841	67 465	(237 375)	-352%	33 781
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	77 651	36 146	43 503	33 688	31 683	31 099	159 412	900 290	1 313 472
Creditors Age Analysis									
Total Creditors	2 925	581	-	173	-	-	-	-	3 680

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2.2 Table C2: Monthly Budget Statement-Financial Performance (Standard classification)

This table reflects the operating budget (Financial Performance) in the standard classifications. Financed Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structure used by the different institutions.

The main functions are Government and Administration, Community and Public Safety, Economic and Environmental and Trading Services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote.

NW375 Moses Kotane - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		535 972	567 889	567 889	18 536	295 787	141 972	153 815	108%	567 889
Executive and council		21 455	22 852	22 852	(2 327)	(2 327)	5 713	(8 040)	-141%	22 852
Finance and administration		514 517	545 038	545 038	20 863	298 114	136 259	161 855	119%	545 038
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		23 827	4 000	4 000	72	273	1 000	(727)	-73%	4 000
Community and social services		1 612	-	-	8	19	-	19	#DIV/0!	-
Sport and recreation		20 851	-	-	-	-	-	-	-	-
Public safety		1 365	4 000	4 000	64	254	1 000	(746)	-75%	4 000
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		51 230	68 923	68 923	10 710	10 725	17 231	(6 506)	-38%	68 923
Planning and development		4 778	8 097	8 097	1 567	1 581	2 024	(443)	-22%	8 097
Road transport		46 452	60 826	60 826	9 144	9 144	15 207	(6 063)	-40%	60 826
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		581 362	673 513	673 513	51 200	81 606	168 378	(86 772)	-52%	673 513
Energy sources		16 357	8 000	8 000	2 514	2 514	2 000	514	26%	8 000
Water management		424 392	428 759	428 759	47 198	74 665	107 190	(32 525)	-30%	428 759
Waste water management		47 406	130 953	130 953	423	1 234	32 738	(31 504)	-96%	130 953
Waste management		93 207	105 800	105 800	1 066	3 194	26 450	(23 256)	-88%	105 800
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 192 390	1 314 325	1 314 325	80 519	388 391	328 581	59 810	18%	1 314 325
Expenditure - Functional										
<i>Governance and administration</i>		290 703	375 428	375 428	22 226	131 606	93 857	37 748	40%	375 428
Executive and council		84 311	101 393	101 393	5 496	20 854	25 348	(4 494)	-18%	101 393
Finance and administration		201 489	269 233	269 233	16 307	109 389	67 309	42 080	63%	269 233
Internal audit		4 903	4 802	4 802	423	1 363	1 201	162	14%	4 802
<i>Community and public safety</i>		125 021	121 102	121 102	5 071	19 504	30 276	(10 771)	-36%	121 102
Community and social services		26 539	33 814	33 814	1 038	3 502	8 454	(4 952)	-59%	33 814
Sport and recreation		60 726	51 959	51 959	2 891	8 974	12 990	(4 016)	-31%	51 959
Public safety		37 756	35 329	35 329	1 142	7 028	8 832	(1 804)	-20%	35 329
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		77 589	89 084	89 084	2 901	8 062	22 271	(14 209)	-64%	89 084
Planning and development		21 391	29 621	29 621	2 169	5 851	7 405	(1 554)	-21%	29 621
Road transport		56 199	59 463	59 463	732	2 211	14 866	(12 655)	-85%	59 463
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		552 530	623 594	623 594	17 170	786 831	155 899	630 933	405%	623 594
Energy sources		43 171	38 507	38 507	1 294	11 179	9 627	1 552	16%	38 507
Water management		406 139	492 993	492 993	10 603	642 236	123 248	518 987	421%	492 993
Waste water management		55 704	29 949	29 949	1 545	16 937	7 487	9 450	126%	29 949
Waste management		47 516	62 144	62 144	3 728	116 480	15 536	100 943	650%	62 144
<i>Other</i>		2 772	3 150	3 150	264	805	787	17	2%	3 150
Total Expenditure - Functional	3	1 048 617	1 212 358	1 212 358	47 632	946 808	303 090	643 718	212%	1 212 358
Surplus/ (Deficit) for the year		143 773	101 967	101 967	32 887	(558 417)	25 491	(583 908)	-2291%	101 967

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2.3 Table C3: Monthly Budget Statement-Financial Performance

NW375 Moses Kotane - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 01 - Municipal Council	1	21 455	22 852	22 852	(2 327)	(2 327)	5 713	(8 040)	-140,7%	22 852
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		514 088	544 438	544 438	20 863	297 994	136 109	161 884	118,9%	544 438
Vote 04 - Corporate Services		429	600	600	-	121	150	(29)	-19,4%	600
Vote 05 - Community Services		117 034	109 800	109 800	1 138	3 466	27 450	(23 984)	-87,4%	109 800
Vote 06 - Planning & Development		136	-	-	29	44	-	44	#DIV/0!	-
Vote 07 - Infrastructure & Technical Services		539 249	636 636	636 636	60 815	89 094	159 159	(70 065)	-44,0%	636 636
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 192 390	1 314 325	1 314 325	80 519	388 391	328 581	59 810	18,2%	1 314 325
Expenditure by Vote										
Vote 01 - Municipal Council	1	71 931	87 446	87 446	4 691	19 035	21 862	(2 827)	-12,9%	87 446
Vote 02 - Office Of The Accounting Officer		22 319	23 610	23 610	1 706	4 526	5 903	(1 376)	-23,3%	23 610
Vote 03 - Budget And Treasury Office		96 867	158 731	158 731	6 749	83 476	39 683	43 793	110,4%	158 731
Vote 04 - Corporate Services		80 922	86 645	86 645	7 281	18 629	21 661	(3 032)	-14,0%	86 645
Vote 05 - Community Services		187 335	195 701	195 701	10 301	140 684	48 925	91 758	187,5%	195 701
Vote 06 - Planning & Development		20 725	26 906	26 906	1 838	5 580	6 727	(1 147)	-17,0%	26 906
Vote 07 - Infrastructure & Technical Services		568 518	633 320	633 320	15 066	674 879	158 330	516 549	326,2%	633 320
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 048 617	1 212 358	1 212 358	47 632	946 808	303 090	643 718	212,4%	1 212 358
Surplus/ (Deficit) for the year	2	143 773	101 967	101 967	32 887	(558 417)	25 491	(583 908)	-2290,6%	101 967

Table C3 reflects the municipality's revenue and expenditure by municipal vote.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

2.4. Table C4: Financial Performance (Revenue & Expenditure)

NW375 Moses Kotane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	(2 477)	(2 477)	(0)	(2 477)	#####	-
Service charges - Water		178 981	222 520	222 520	17 324	44 791	55 630	(10 839)	-19%	222 520
Service charges - Waste Water Management		3 864	6 036	6 036	423	1 234	1 509	(275)	-18%	6 036
Service charges - Waste management		11 817	12 277	12 277	1 066	3 194	3 069	125	4%	12 277
Sale of Goods and Rendering of Services		761	520	520	96	168	130	38	29%	520
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		71 462	60 636	60 636	3 875	11 378	15 159	(3 781)	-25%	60 636
Interest from Current and Non Current Assets		9 745	6 251	6 251	1 053	4 133	1 563	-	-	6 251
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		152	188	188	18	26	47	(21)	-45%	188
Licence and permits		336	2 000	2 000	64	254	500	(246)	-49%	2 000
Operational Revenue		1 014	1 205	1 205	51	526	301	224	74%	1 205
Non-Exchange Revenue										
Property rates		124 807	154 525	154 525	12 544	36 715	38 631	(1 916)	-5%	154 525
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 028	2 000	2 000	-	-	500	(500)	-	2 000
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		537 931	581 763	581 763	4 469	240 338	145 441	94 898	-	581 763
Interest		32 268	27 562	27 562	2 994	9 094	6 891	2 203	-	27 562
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		838	-	-	-	-	-	-	-	-
Other Gains		0	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		975 004	1 077 484	1 077 484	41 501	349 373	269 371	80 002	30%	1 077 484
Expenditure By Type										
Employee related costs		283 415	296 872	296 872	25 040	75 619	74 219	1 400	2%	296 872
Remuneration of councillors		25 874	27 597	27 597	1 652	5 322	6 899	(1 577)	-23%	27 597
Bulk purchases - electricity		33 007	25 000	25 000	830	7 592	6 250	1 342	-	25 000
Inventory consumed		144 039	150 155	150 155	4 074	5 276	37 539	(32 263)	-	150 155
Debt impairment		-	328 721	328 721	-	-	82 180	(82 180)	-100%	328 721
Depreciation and amortisation		132 550	155 041	155 041	-	-	38 760	(38 760)	-100%	155 041
Interest		5 619	5 600	5 600	15	25	1 400	(1 375)	-98%	5 600
Contracted services		136 096	140 090	140 090	10 684	27 112	35 023	(7 910)	-23%	140 090
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		152 361	-	-	-	805 298	-	805 298	-	-
Operational costs		116 715	83 281	83 281	5 336	20 564	20 820	(257)	-1%	83 281
Losses on Disposal of Assets		18 942	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		1 048 617	1 212 358	1 212 358	47 632	946 808	303 090	643 718	212%	1 212 358
Surplus/(Deficit)		(73 613)	(134 874)	(134 874)	(6 131)	(597 434)	(33 719)	(563 715)	0	(134 874)
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-
		217 386	236 841	236 841	39 017	39 017	-	39 017	#DIV/0!	236 841
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		143 773	101 967	101 967	32 887	(558 417)	(33 719)			101 967
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		143 773	101 967	101 967	32 887	(558 417)	(33 719)			101 967
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		143 773	101 967	101 967	32 887	(558 417)	(33 719)			101 967
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		143 773	101 967	101 967	32 887	(558 417)	(33 719)			101 967

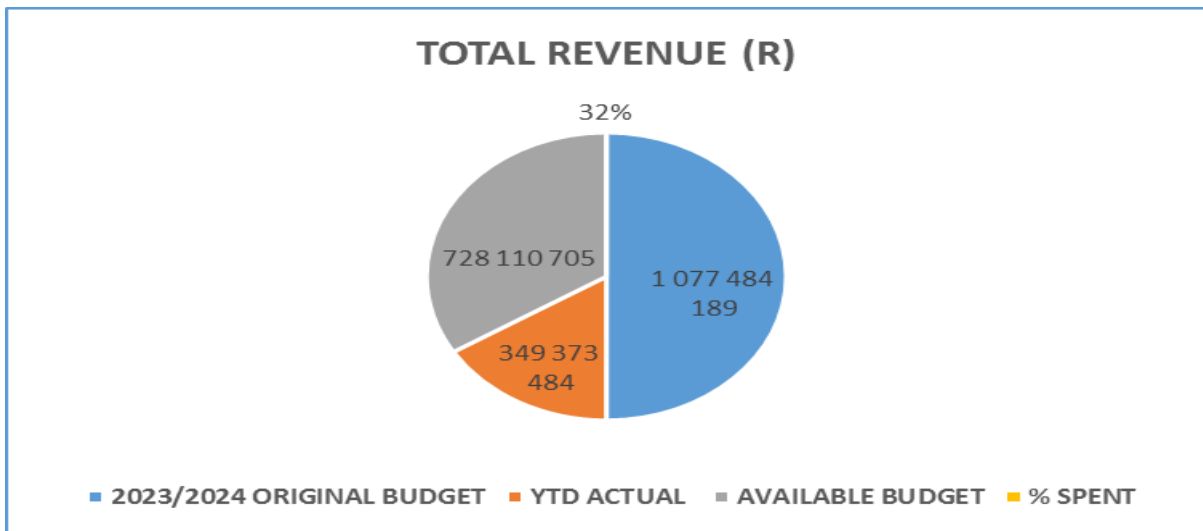
Revenue

- a) Budgeted operating revenue for the 2023/2024 financial year to R1,077 billion.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

- b) Year to date operating revenue comprises of own revenue and grants at 32% and 68% respectively. The municipality depends on government grants to fund its operations.
- c) Own revenue generated for the reporting period amount to R109 million. Own revenue is mainly derived from property rates and service charges which contributed R85.9 million or 79% of the total own revenue generated for the reported period.
- d) Interest earned on outstanding debtors amount to R20.4 million. Low revenue collection remains a challenge for Moses Kotane. Council took a resolution to embark on a rehabilitation of debtors’ campaign to encourage consumers to pay the outstanding debts. An amount of R805.2 million was written off as irrecoverable between July and August 2023.
- e) Total year to date operating revenue amount to R349.3 million.

Graphical Illustration of operating revenue against the approved budget

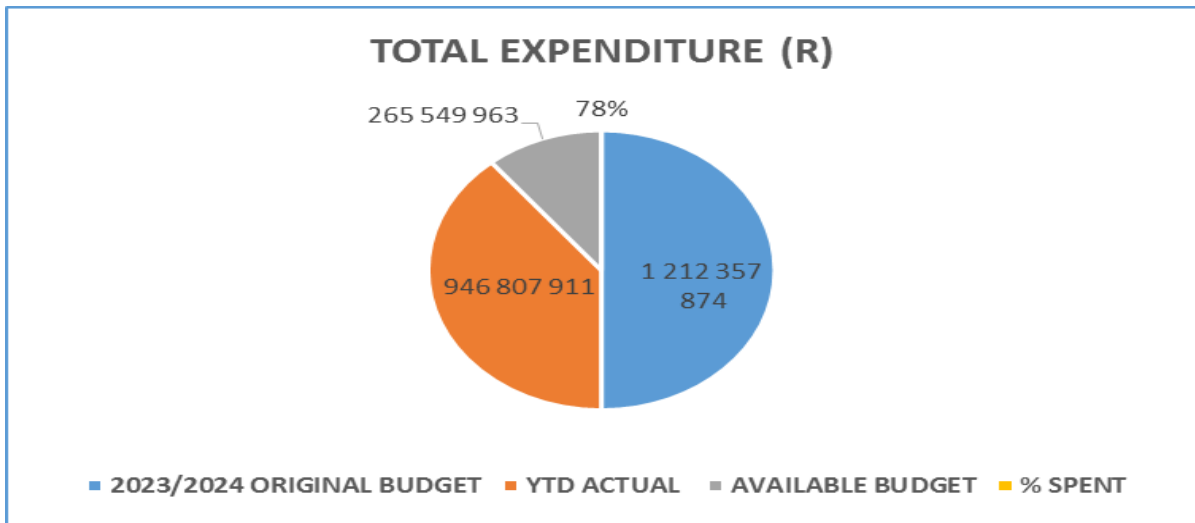


Expenditure

- (a) Operating expenditure incurred for the reporting period amount to R50.1 million, translating to year to date spending of R946.8 million or 78% against the operating expenditure budget.
- (b) Of the total expenditure incurred, bad debts written off accounts for R805.2 million or 85%. This is the amount that was declared irrecoverable and written against the debtors’ book. It is must further be noted that the expenditure will be adjusted accordingly in February 2024.
- (c) Contracted Services - The payment for contractors is not fixed, some of the expenses are only paid as and when the service is rendered.

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th
SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY**

Graphical Illustration of operating expenditure against the approved budget



QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

2.5. Table C5: Capital Expenditure by Vote

NW375 Moses Kotane - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

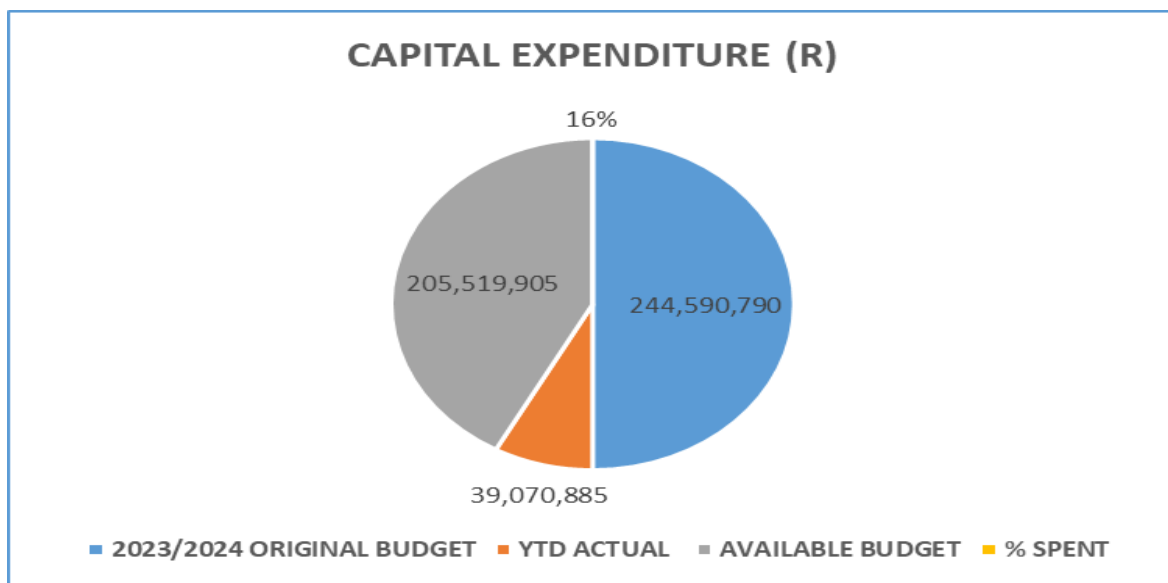
Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		-	3 000	3 000	-	-	750	(750)	-100%	3 000
Vote 04 - Corporate Services		106	3 000	3 000	-	53	750	(697)	-93%	3 000
Vote 05 - Community Services		1 957	8 011	8 011	-	-	2 003	(2 003)	-100%	8 011
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 07 - Infrastructure & Technical Services		6 740	230 580	230 580	17 796	36 220	57 645	(21 425)	-37%	230 580
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	8 803	244 591	244 591	17 796	36 273	61 148	(24 874)	-41%	244 591
Single Year expenditure appropriation	2									
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 07 - Infrastructure & Technical Services		-	-	-	-	-	-	-	-	-
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		8 803	244 591	244 591	17 796	36 273	61 148	(24 874)	-41%	244 591
Capital Expenditure - Functional Classification										
Governance and administration		106	6 000	6 000	-	53	1 500	(1 447)	-96%	6 000
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		106	6 000	6 000	-	53	1 500	(1 447)	-96%	6 000
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		2 816	1 750	1 750	-	-	438	(438)	-100%	1 750
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		2 816	750	750	-	-	188	(188)	-100%	750
Public safety		-	1 000	1 000	-	-	250	(250)	-100%	1 000
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		2 790	60 826	60 826	1 967	8 434	15 207	(6 773)	-45%	60 826
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		2 790	60 826	60 826	1 967	8 434	15 207	(6 773)	-45%	60 826
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		3 092	176 015	176 015	15 829	27 786	44 004	(16 218)	-37%	176 015
Energy sources		-	4 000	4 000	-	-	1 000	(1 000)	-100%	4 000
Water management		3 950	155 754	155 754	15 829	27 786	38 939	(11 152)	-29%	155 754
Waste water management		-	10 000	10 000	-	-	2 500	(2 500)	-100%	10 000
Waste management		(859)	6 261	6 261	-	-	1 565	(1 565)	-100%	6 261
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	8 803	244 591	244 591	17 796	36 273	61 148	(24 874)	-41%	244 591
Funded by:										
National Government		8 697	236 841	236 841	17 796	36 220	59 210	(22 990)	-39%	236 841
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov		-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private Enterprises,		-	-	-	-	-	-	-	-	-
Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		8 697	236 841	236 841	17 796	36 220	59 210	(22 990)	-39%	236 841
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		106	7 750	7 750	-	53	1 938	(1 884)	-97%	7 750
Total Capital Funding		8 803	244 591	244 591	17 796	36 273	61 148	(24 874)	-41%	244 591

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

Capital budget for 2023/2024 financial year amount to R244.5 million. The budget is mainly funded by National grants, i.e. MIG and WSIG. Expenditure reported as at September 2023 amount to R36.2 million, VAT exclusive. (VAT inclusive amount – R39 million). Capital spending to date accounts for 16% against the appropriated budget.

Spending was mainly incurred on water and roads at 77% and 23% of the expenditure reported for the month, respectively.

Graphical Illustration of capital expenditure against the approved budget



QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

2.6. Table C6: Financial Position

NW375 Moses Kotane - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		38 855	63 040	63 040	126 477	63 040
Trade and other receivables from exchange transactions		66 655	66 260	66 260	(682 844)	66 260
Receivables from non-exchange transactions		171 440	66 260	66 260	138 252	66 260
Current portion of non-current receivables						
Inventory		16 493	14 665	14 665	14 434	14 665
VAT		129 815	12 635	12 635	128 409	12 635
Other current assets		23 214	6 214	6 214	23 226	6 214
Total current assets		446 473	229 074	229 074	(252 045)	229 074
Non current assets						
Investments		-	-	-	-	-
Investment property		150 664	151 438	151 438	150 664	151 438
Property, plant and equipment		2 988 511	3 452 125	3 452 125	3 024 731	3 452 125
Biological assets						
Living and non-living resources						
Heritage assets		14	14	14	14	14
Intangible assets		13 393	15 854	15 854	13 447	15 854
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions						
Other non-current assets						
Total non current assets		3 152 582	3 619 431	3 619 431	3 188 856	3 619 431
TOTAL ASSETS		3 599 055	3 848 505	3 848 505	2 936 811	3 848 505
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		8 840	12 820	12 820	8 030	12 820
Consumer deposits		1 823	-	-	1 825	-
Trade and other payables from exchange transactions		210 314	177 266	177 266	186 026	177 266
Trade and other payables from non-exchange transactions		8 156	-	-	(10 830)	-
Provision		49 159	2 040	2 040	47 291	2 040
VAT		99 997	-	-	42 132	-
Other current liabilities		-	-	-	-	-
Total current liabilities		378 290	192 126	192 126	274 474	192 126
Non current liabilities						
Financial liabilities		34 753	33 895	33 895	34 753	33 895
Provision		35 996	38 433	38 433	35 996	38 433
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
Total non current liabilities		70 749	72 328	72 328	70 749	72 328
TOTAL LIABILITIES		449 039	264 454	264 454	345 223	264 454
NET ASSETS	2	3 150 016	3 584 052	3 584 052	2 591 588	3 584 052
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		3 266 622	3 482 085	3 482 085	2 591 588	3 482 085
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	3 266 622	3 482 085	3 482 085	2 591 588	3 482 085

The municipality closed the month with a favourable cash balance.

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th
SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY**

2.7. Table C7: Cash Flow

NW375 Moses Kotane - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		100 014	80 353	80 353	4 701	10 673	20 088	(9 416)	-47%	80 353
Service charges		154 773	69 811	69 811	5 976	18 643	17 453	1 190	7%	69 811
Other revenue		589 255	5 913	5 913	303 025	(70 138)	1 478	(71 616)	-4845%	5 913
Transfers and Subsidies - Operational		161 779	581 763	581 763	2 200	240 426	145 441	94 985	65%	581 763
Transfers and Subsidies - Capital		208 558	236 841	236 841	-	20 000	59 210	(39 210)	-66%	236 841
Interest		9 679	6 251	6 251	1 053	4 133	1 563	2 570	164%	6 251
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		5 575	(728 596)	(728 596)	(32 238)	79 331	(182 149)	(261 480)	144%	(728 596)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 229 633	252 337	252 337	284 717	303 068	63 084	(239 983)	-380%	252 337
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		(13)	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(8 803)	(244 591)	(244 591)	(17 796)	(36 273)	(61 148)	(24 874)	41%	(244 591)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 817)	(244 591)	(244 591)	(17 796)	(36 273)	(61 148)	(24 874)	41%	(244 591)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	1	1	-	1	#DIV/0!	-
Payments										
Repayment of borrowing		(5 813)	(12 820)	(12 820)	(226)	(810)	(3 205)	(2 395)	75%	(12 820)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(5 813)	(12 820)	(12 820)	(224)	(809)	(3 205)	(2 396)	75%	(12 820)
NET INCREASE/ (DECREASE) IN CASH HELD		1 215 003	(5 074)	(5 074)	266 697	265 985	(1 268)			(5 074)
Cash/cash equivalents at beginning:		36 880	68 734	68 734	(48 931)	38 855	68 734			38 855
Cash/cash equivalents at month/year end:		1 251 883	63 660	63 660		304 841	67 465			33 781

The cash flow statement must reflect receipts and payments for the reporting month.

The Municipality noted the following challenges:

The municipality is currently experiencing challenges with cash flow reporting. The opening balance and other revenue will be investigated and be corrected.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

Part 2: Supporting Documents

Section 3: Performance Indicators

3.1 Supporting Table SC2

NW375 Moses Kotane - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0,0%	13,3%	13,3%	0,0%	2,7%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0,0%	0,0%	0,0%	0,0%	0,0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		8,0%	6,4%	6,4%	8,4%	6,4%
Gearing	Long Term Borrowing/ Funds & Reserves		0,0%	0,0%	0,0%	0,0%	0,0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	118,0%	119,2%	119,2%	-91,8%	119,2%
Liquidity Ratio	Monetary Assets/Current Liabilities		10,3%	32,8%	32,8%	46,1%	32,8%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		26,8%	0,0%	0,0%	0,0%	0,0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		29,1%	27,6%	27,6%	21,6%	27,6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		10,4%	10,6%	10,6%	7,7%	10,6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		14,2%	14,9%	14,9%	0,0%	3,1%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

Section 4 – Aged Debtors’ Analysis

The debtor's analysis comprises of debtors age analysis by income sources and debtors age analysis by customer group.

4.1 Supporting Table SC3

NW375 Moses Kotane - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2023/24									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	37 865	16 914	17 858	18 282	18 136	18 767	89 935	394 817	612 575	539 938	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	22 309	10 624	15 062	9 799	8 077	6 833	39 619	300 359	412 682	364 687	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	923	449	433	409	391	354	1 991	4 999	9 950	8 144	-	-
Receivables from Exchange Transactions - Waste Management	1600	2 414	1 202	1 112	1 107	1 105	1 103	6 063	11 064	25 169	20 442	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	13 546	6 874	8 956	3 989	3 868	3 826	21 188	159 926	222 174	192 798	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	593	83	83	102	106	216	615	29 124	30 922	30 163	-	-
Total By Income Source	2000	77 651	36 146	43 503	33 688	31 683	31 099	159 412	900 290	1 313 472	1 156 172	-	-
2022/23 - totals only		89606334	37945798	38899346	34908801	33715050	29910589	#####	#####	1 894 593	1 728 142	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	15 979	8 105	8 247	7 090	7 017	6 727	38 111	208 202	299 479	267 148	-	-
Commercial	2300	26 442	12 239	11 361	11 472	9 525	8 775	35 239	240 400	355 453	305 410	-	-
Households	2400	35 040	15 720	23 817	15 025	15 036	15 382	85 454	446 051	651 525	576 949	-	-
Other	2500	190	81	79	101	105	214	607	5 637	7 015	6 665	-	-
Total By Customer Group	2600	77 651	36 146	43 503	33 688	31 683	31 099	159 412	900 290	1 313 472	1 156 172	-	-

The municipality has noted the following challenges:

The above tables reflect gross debtors’ book of the municipality. The balance at the end of the reporting month amounts to R1.3 billion. Of the total balance, 88% is older than 90 days, rendering it difficult to collect. It must be noted that the debtors’ book balance has increased by R30.7 million from the R1.2 billion reported in August 2023.

The value reflected on the Financial Position will not reconcile to the Debtor's Age Analysis shown on Supporting Table SC3 as the balance is inclusive of debt impairment. Furthermore, the statement financial Position reflects the net consumer debtors and other debtor classifications which do not form part of the consumer debtors, whereas the age analysis only includes those consumer amounts which have become due prior to debt impairment.

Section 5 - Aged Creditors Analysis

5.1 Supporting Table SC4

NW375 Moses Kotane - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	
Loan repayments	0600	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	2 925	581	-	173	-	-	-	-	3 680	5 414
Auditor General	0800	-	-	-	-	-	-	-	-	-	
Other	0900	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	2 925	581	-	173	-	-	-	-	3 680	5 414

The creditors balance for September 2023 amount to R3.6 million. Total outstanding creditors are payable to trade creditors.

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th
SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY**

Section 6 - Investment Portfolio Analysis

The investment portfolio analysis must include information consistent with the requirements of the Municipal Investment Regulations.

6.1 Table SC5: Investments Portfolio

NW375 Moses Kotane - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

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

INVESTMENTS MOSES KOTANE 2023/2024							
SUMMARY OF INVESTMENTS							
ACCOUNT NUMBER	TYPE OF INVESTMENT	BALANCE 01/07/2023	BANK CHARGES	DEPOSIT	INTEREST CAPITALIZED	WITHDREW	BALANCE 30/09/2023
228810957(002)	CALL MKLM MAIN STANDARD BANK	5,160,908.71	0.00	166,000,000.00	2,330,852.52	107,000,000.00	66,491,761.23
2062250801	12 MONTHS CEDEED ESCOM	425,755.26		0.00	0.00		458,112.66
228810957(004)	CALL - MIG STANDARD BANK	10,683,660.31	0.00	43,934,000.00	701,688.28	29,018,255.00	26,301,093.59
228810957(003)	CALL WSIG GRANT	11,690,577.14		20,000,000.00	456,660.10	12,438,173.00	19,709,064.24
228810957(001)	CALL FLEET	4,842,691.84	0.00	0.00	98,307.63	0.00	4,940,999.47
BALANCE		32,803,593.26		229,934,000.00	3,587,508.53	148,456,428.00	117,901,031.19

The investment reported as at 30 September 2023 amount to R117.9 million. An additional investment reconciliation has been attached since the municipality's investment information could not be updated on the reporting system. The municipality is currently working on addressing the challenge as per the Road Map and progress will be reported.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

Section 7- Allocation and grant receipts and expenditure

7.1 Supporting Table SC6

NW375 Moses Kotane - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		537 195	581 763	581 763	4 469	240 338	145 441	94 898	65,2%	581 763
Energy Efficiency and Demand Side Management Grant		350	4 000	4 000	2 514	2 514	1 000	1 514	151,4%	4 000
Equitable Share		528 602	566 087	566 087	-	235 869	141 522	94 347	66,7%	566 087
Expanded Public Works Programme Integrated Grant		1 652	1 629	1 629	150	150	407	(257)	-63,2%	1 629
Local Government Financial Management Grant		1 950	1 950	1 950	268	268	488	(219)	-44,9%	1 950
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	4 642	8 097	8 097	1 537	1 537	2 024	(487)	-24,0%	8 097
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		735	-	-	-	-	-	-	-	-
Capacity Building and Other Grants		735	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
National Library South Africa		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	537 931	581 763	581 763	4 469	240 338	145 441	94 898	65,2%	581 763
Capital Transfers and Grants										
National Government:		217 144	236 841	236 841	39 017	39 017	59 210	(20 193)	-34,1%	236 841
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		157 450	171 841	171 841	26 579	26 579	42 960	(16 381)	-38,1%	171 841
Water Services Infrastructure Grant		59 694	65 000	65 000	12 438	12 438	16 250	(3 812)	-23,5%	65 000
Provincial Government:		242	-	-	-	-	-	-	-	-
Infrastructure Grant		242	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Investment Unit		-	-	-	-	-	-	-	-	-
National Small Business Council		-	-	-	-	-	-	-	-	-
Registration of Deeds Trade Account		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	217 386	236 841	236 841	39 017	39 017	59 210	(20 193)	-34,1%	236 841
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	755 317	818 604	818 604	43 487	279 356	204 651	74 705	36,5%	818 604

The disclosure on allocation and grant receipts and expenditure must reflect particulars of –

- a) Allocation and grant receipts and expenditure against each allocation or grant; and
- b) Any change in allocations and a result.
 - i. An adjustments of the national, provincial government, district, Local municipalities and
 - ii. Changes in grants from other providers

The following grants were received to date;

- Equitable Shares - R235.8 million
- WSIG - R20 million
- MIG – R43.9 million
- EPWP - R407,000
- FMG- R1.9 million
- Library - R1.2 million
- EEDSM - R1 million

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

Of the total conditional grants received, the municipality has spent a total of R43.5 million or 64% against the received funds.

7.2 Supporting Table SC7 (1)

The below attached table shows the expenditure per grant (operating and capital)

NW375 Moses Kotane - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		4 151	581 763	581 763	11 991	32 299	145 441	(113 143)	-77,8%	581 763
Energy Efficiency and Demand Side Management Grant		573	4 000	4 000	(0)	2 238	1 000	1 238	123,8%	4 000
Equitable Share		176	566 087	566 087	10 494	28 281	141 522	(113 241)	-80,0%	566 087
Expanded Public Works Programme Integrated Grant		1 634	1 629	1 629	-	150	407	(257)	-63,2%	1 629
Local Government Financial Management Grant		1 769	1 950	1 950	124	256	488	(231)	-47,5%	1 950
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	8 097	8 097	1 373	1 373	2 024	(651)	-32,2%	8 097
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
North West Provincial Arts and Culture Council		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		4 151	581 763	581 763	11 991	32 299	145 441	(113 143)	-77,8%	581 763
Capital expenditure of Transfers and Grants										
National Government:		8 697	236 841	236 841	17 796	36 220	59 210	(22 990)	-38,8%	236 841
Municipal Infrastructure Grant		4 747	171 841	171 841	8 276	24 813	42 960	(18 148)	-42,2%	171 841
Water Services Infrastructure Grant		3 950	65 000	65 000	9 519	11 407	16 250	(4 843)	-29,8%	65 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Infrastructure Grant		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Investment Unit		-	-	-	-	-	-	-	-	-
National Small Business Council		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		8 697	236 841	236 841	17 796	36 220	59 210	(22 990)	-38,8%	236 841
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		12 848	818 604	818 604	29 787	68 519	204 652	(136 133)	-66,5%	818 604

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th
SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY**

7.3 Supporting Table SC7 (2) Monthly Budget Statement-Expenditure against approved rollovers-

NW375 Moses Kotane - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M03 September

Description	Ref	Budget Year 2023/24				
		Approved Rollover 2022/23	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
<u>Operating expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
Local Government Equitable Share		-	-	-	-	
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
<u>Capital expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	-	-	

The municipality has applied for roll over for MIG and WSIG projects and will be incorporated in the main adjustment budget period upon approval by National Treasury.

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th
SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY**

Section 8- Expenditure on councillor and board members allowances and employee benefits

8.1 Supporting Table SC8

NW375 Moses Kotane - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor 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
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		21 687	23 211	23 211	1 313	4 300	5 803	(1 503)	-26%	23 211
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		3 017	3 174	3 174	252	746	793	(48)	-6%	3 174
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		1 170	1 211	1 211	88	276	303	(27)	-9%	1 211
Sub Total - Councillors		25 874	27 597	27 597	1 652	5 322	6 899	(1 577)	-23%	27 597
% increase	4		6,7%	6,7%						6,7%
Senior Managers of the Municipality										
Basic Salaries and Wages		3 731	9 559	9 559	355	1 065	2 390	(1 325)	-55%	9 559
Pension and UIF Contributions		213	683	683	-	-	171	(171)	-100%	683
Medical Aid Contributions		54	114	114	-	-	28	(28)	-100%	114
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		98	367	367	-	-	92	(92)	-100%	367
Motor Vehicle Allowance		556	1 225	1 225	22	66	306	(240)	-78%	1 225
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		0	1	1	-	-	0	(0)	-100%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		93	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4 745	11 949	11 949	377	1 131	2 987	(1 856)	-62%	11 949
% increase	4		151,8%	151,8%						151,8%
Other Municipal Staff										
Basic Salaries and Wages		181 806	202 326	202 326	16 549	50 179	50 581	(402)	-1%	202 326
Pension and UIF Contributions		38 071	40 740	40 740	3 418	10 169	10 185	(17)	0%	40 740
Medical Aid Contributions		15 403	16 572	16 572	1 328	3 960	4 143	(183)	-4%	16 572
Overtime		20 210	5 856	5 856	1 765	4 802	1 464	3 338	228%	5 856
Performance Bonus		12 509	14 192	14 192	1 049	3 534	3 548	(14)	0%	14 192
Motor Vehicle Allowance		1 078	669	669	80	240	167	73	44%	669
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		631	629	629	61	192	157	35	22%	629
Other benefits and allowances		2 876	3 558	3 558	358	1 028	889	139	16%	3 558
Payments in lieu of leave		719	-	-	-	-	-	-	-	-
Long service awards		4 195	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		1 171	382	382	56	383	95	288	302%	382
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		278 670	284 923	284 923	24 663	74 488	71 231	3 256	5%	284 923
% increase	4		2,2%	2,2%						2,2%
Total Parent Municipality		309 289	324 469	324 469	26 693	80 941	81 118	(177)	0%	324 469
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		309 289	324 469	324 469	26 693	80 941	81 118	(177)	0%	324 469
% increase	4		4,9%	4,9%						4,9%
TOTAL MANAGERS AND STAFF		283 415	296 872	296 872	25 040	75 619	74 219	1 400	2%	296 872

The disclosure on councillor and board members allowances and employee benefits must include a comparison of actual

Expenditure and budgeted expenditure on -

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

- (a) Councillor allowances
- (b) Board member allowances; and
- (c) Employee benefits

Section 9: Actual & Revised Targets for Cash Receipts

9.1 Supporting Table SC9

NW375 Moses Kotane - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework			
		July Outcome	August Outcome	Sept Outcome	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Cash Receipts By Source																	
Property rates		4 450	1 522	4 701	6 696	6 696	6 696	6 696	6 696	6 696	6 696	6 696	16 112	80 353	84 290	88 252	
Service charges - Electricity revenue																	
Service charges - Water revenue		9 141	3 234	5 850	5 558	5 558	5 558	5 558	5 558	5 558	5 558	4 006	66 693	70 027	73 318		
Service charges - Waste Water Management		32	149	54	151	151	151	151	151	151	151	369	1 811	1 900	1 989		
Service charges - Waste Management		42	69	72	109	109	109	109	109	109	109	253	1 308	1 377	1 436		
Rental of facilities and equipment		8		18	16	16	16	16	16	16	16	37	188	197	206		
Interest earned - external investments		1 103	1 976	1 053	521	521	521	521	521	521	521	(2 049)	6 251	6 588	6 931		
Interest earned - outstanding debtors																	
Dividends received																	
Fines, penalties and forfeits		36	34	21	167	167	167	167	167	167	167	576	2 000	2 000	2 094		
Licences and permits		113	76	64	167	167	167	167	167	167	167	413	2 000	2 096	2 184		
Agency services																	
Transfers and Subsidies - Operational		235 869	2 357	2 200	48 480	48 480	48 480	48 480	48 480	48 480	48 480	(46 505)	581 763	620 097	621 835		
Other revenue		(443 693)	70 263	302 922	144	144	144	144	144	144	144	71 083	1 725	1 870	32 529		
Cash Receipts by Source		(194 011)	77 704	315 885	61 471	61 471	61 471	61 471	61 471	61 471	61 471	46 307	737 653	783 640	823 637		
Other Cash Flows by Source																	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		20 000			19 737	19 737	19 737	19 737	19 737	19 737	19 737	58 947	236 841	269 958	282 412		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Proceeds on Disposal of Fixed and Intangible Assets)																	
Short term loans																	
Borrowing long term/refinancing																	
Increase (decrease) in consumer deposits				1								(1)					
Decrease (increase) in non-current receivables																	
Decrease (increase) in non-current investments																	
Total Cash Receipts by Source		(174 011)	77 704	315 886	81 208	81 208	81 208	81 208	81 208	81 208	81 208	105 253	974 494	1 053 598	1 106 049		
Cash Payments by Type																	
Employee related costs		(17)	(4 906)	4 961	24 739	24 739	24 739	24 739	24 739	24 739	24 739	98 920	296 872	309 546	322 613		
Remuneration of councillors		(24)	(496)	446	2 300	2 300	2 300	2 300	2 300	2 300	2 300	9 273	27 597	28 946	30 309		
Interest																	
Bulk purchases - Electricity		3 669	4 241	(1 232)	2 083	2 083	2 083	2 083	2 083	2 083	2 083	1 655	25 000	26 226	27 458		
Acquisitions - water & other inventory		22 966	24 564		10 833	10 833	10 833	10 833	10 833	10 833	10 833	(4 196)	130 000	136 376	142 779		
Contracted services																	
Transfers and subsidies - other municipalities																	
Transfers and subsidies - other																	
Other expenditure		(212 610)	51 044	27 850	20 761	20 761	20 761	20 761	20 761	20 761	20 761	216 758	249 127	263 439	270 605		
Cash Payments by Type		(186 017)	74 447	32 025	60 716	60 716	60 716	60 716	60 716	60 716	60 716	322 410	728 596	764 529	793 764		
Other Cash Flows/Payments by Type																	
Capital assets		9 552	8 926	17 796	20 383	20 383	20 383	20 383	20 383	20 383	20 383	45 257	244 591	269 950	282 412		
Repayment of borrowing		584		226	1 068	1 068	1 068	1 068	1 068	1 068	1 068	3 463	12 820	13 027	13 510		
Other Cash Flows/Payments				213								(213)					
Total Cash Payments by Type		(175 880)	83 372	50 260	82 167	82 167	82 167	82 167	82 167	82 167	82 167	370 917	986 006	1 047 514	1 089 686		
NET INCREASE/(DECREASE) IN CASH HELD		1 869	(5 669)	265 626	(959)	(959)	(959)	(959)	(959)	(959)	(959)	(265 664)	(11 513)	6 084	16 363		
Cash/cash equivalents at the month/year beginning:		38 855	40 724	35 055	300 682	299 722	298 763	297 804	296 844	295 885	294 925	293 966	293 007	38 855	27 343		
Cash/cash equivalents at the month/year end:		40 724	35 055	300 682	299 722	298 763	297 804	296 844	295 885	294 925	293 966	293 007	27 343	33 427	49 790		

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

9.2 Supporting Table SC1

NW375 Moses Kotane - Supporting Table SC1 Material variance explanations - M03 September 2023				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue			
	Electricity service Charge	(2,477)	Misallocation of FBS expenditure - electricity	Corrections will be effected in October 2023.
2	Expenditure By Type			
	Irrecoverable Debts	805,298	Irrecoverable debt written off in July and August 2023	The budget will be adjusted in February 2024 to accommodate the write off.
3	Capital Expenditure			
	Variances was Not Calculated			
4	Financial Position			
	Variances was Not Calculated			
5	Cash Flow			
	Variances was Not Calculated			
6	Measureable performance			
7	Municipal Entities			

An amount of R805.2 million was written off against the debtors, book in July and August 2023, resulting in a year to date expenditure of 78% as at 30 September 2023. It must therefore be noted that the expenditure will be incorporated in the budget during the adjustment budget period.

Section 10: Capital Programme Performance

10. Supporting table SC12

NW375 Moses Kotane - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	5 977	20 383	20 383	9 552	9 552	20 383	10 830	53,1%	4%
August	4 768	20 383	20 383	8 926	8 926	40 765	31 840	78,1%	4%
September	13 266	20 383	20 383	17 796	17 796	61 148	43 352	70,9%	7%
October	4 596	20 383	20 383	-	-	81 530	81 530	100,0%	0%
November	23 413	20 383	20 383	-	-	101 913	101 913	100,0%	0%
December	22 574	20 383	20 383	-	-	122 295	122 295	100,0%	0%
January	10 035	20 383	20 383	-	-	142 678	142 678	100,0%	0%
February	18 590	20 383	20 383	-	-	163 061	163 061	100,0%	0%
March	24 580	20 383	20 383	-	-	183 443	183 443	100,0%	0%
April	12 525	20 383	20 383	-	-	203 826	203 826	100,0%	-
May	25 837	20 383	20 383	-	-	224 208	224 208	100,0%	-
June	(60 057)	20 382	20 382	-	-	244 591	244 591	100,0%	-
Total Capital expenditure	106 104	244 591	244 591	36 273					

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th
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10.2 Supporting Table SC13

Supporting Table SC13 include the following:

- (a) SC13a: Capital Expenditure on new assets by asset class
- (b) SC13b: Capital Expenditure on renewal of existing assets by asset class
- (c) SC13c: Expenditure on repairs and maintenance by asset class
- (d) SC13d: Expenditure on depreciation by asset class
- (e) SC13e: Expenditure on upgrading of existing assets by asset class

10.2.1 Supporting Table SC13a

NW375 Moses Kotane - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		3 092	171 460	171 460	15 829	27 786	42 865	15 079	35,2%	171 460
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	14 738	14 738	-	-	3 684	3 684	100,0%	14 738
Drainage Collection		-	14 738	14 738	-	-	3 684	3 684	100,0%	14 738
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	4 000	4 000	-	-	1 000	1 000	100,0%	4 000
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	4 000	4 000	-	-	1 000	1 000	100,0%	4 000
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		3 950	136 461	136 461	15 829	27 786	34 115	6 329	18,6%	136 461
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	17 000	17 000	-	-	4 250	4 250	100,0%	17 000
Bulk Mains		-	14 702	14 702	1 320	2 207	3 675	1 469	40,0%	14 702
Distribution		3 950	102 560	102 560	14 509	25 579	25 640	61	0,2%	102 560
Distribution Points		-	2 200	2 200	-	-	550	550	100,0%	2 200
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	10 000	10 000	-	-	2 500	2 500	100,0%	10 000
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	10 000	10 000	-	-	2 500	2 500	100,0%	10 000
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		(859)	6 261	6 261	-	-	1 565	1 565	100,0%	6 261
Landfill Sites		(859)	6 261	6 261	-	-	1 565	1 565	100,0%	6 261

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Furniture and Office Equipment		-	3 500	3 500	-	-	875	875	100,0%	3 500
Furniture and Office Equipment		-	3 500	3 500	-	-	875	875	100,0%	3 500
Machinery and Equipment		-	750	750	-	-	188	188	100,0%	750
Machinery and Equipment		-	750	750	-	-	188	188	100,0%	750
Total Capital Expenditure on new assets	1	3 092	175 710	175 710	15 829	27 786	43 928	16 141	36,7%	175 710

10.2.2 Supporting Table SC13b

NW375 Moses Kotane - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03

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	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	19 293	19 293	-	-	4 823	4 823	100,0%	19 293
Water Supply Infrastructure		-	19 293	19 293	-	-	4 823	4 823	100,0%	19 293
Dams and Weirs										
Boreholes		-	19 293	19 293	-	-	4 823	4 823	100,0%	19 293
Community Assets		2 816	1 000	1 000	-	-	250	250	100,0%	1 000
Community Facilities		2 816	1 000	1 000	-	-	250	250	100,0%	1 000
Halls		2 816	-	-	-	-	-	-		-
Intangible Assets		106	2 500	2 500	-	53	625	572	91,5%	2 500
Servitudes										
Licences and Rights		106	2 500	2 500	-	53	625	572	91,5%	2 500
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		106	2 500	2 500	-	53	625	572	91,5%	2 500
Total Capital Expenditure on renewal of existing ass	1	2 922	22 793	22 793	-	53	5 698	5 645	99,1%	22 793

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

10.2.3 Supporting Table SC13c

NW375 Moses Kotane - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03

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	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		30 248	23 800	23 800	950	4 649	5 950	1 301	21,9%	23 800
Roads Infrastructure		1 640	5 200	5 200	-	0	1 300	1 300	100,0%	5 200
Roads		1 640	5 000	5 000	-	-	1 250	1 250	100,0%	5 000
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	200	200	-	0	50	50	99,6%	200
Electrical Infrastructure		1 398	4 200	4 200	(0)	2 238	1 050	(1 188)	-113,2%	4 200
LV Networks		1 398	4 200	4 200	(0)	2 238	1 050	(1 188)	-113,2%	4 200
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		324	1 000	1 000	-	-	250	250	100,0%	1 000
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		324	1 000	1 000	-	-	250	250	100,0%	1 000
Solid Waste Infrastructure		26 886	13 400	13 400	950	2 410	3 350	940	28,1%	13 400
Landfill Sites		26 886	13 400	13 400	950	2 410	3 350	940	28,1%	13 400
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Community Assets		37	255	255	-	-	64	64	100,0%	255
Community Facilities		-	5	5	-	-	1	1	100,0%	5
Cemeteries/Crematoria		-	5	5	-	-	1	1	100,0%	5
Intangible Assets		(44)	2 000	2 000	591	1 772	500	(1 272)	-254,4%	2 000
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		(44)	2 000	2 000	591	1 772	500	(1 272)	-254,4%	2 000
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		(44)	2 000	2 000	591	1 772	500	(1 272)	-254,4%	2 000
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		13	50	50	4	4	13	9	71,0%	50
Computer Equipment		13	50	50	4	4	13	9	71,0%	50
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	50 624	57 155	57 155	5 604	13 366	14 289	923	6,5%	57 155

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th SEPTEMBER 2023 - MOSES KOTANE LOCAL MUNICIPALITY

10.2.4 Supporting Table SC13d

NW375 Moses Kotane - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		98 964	116 323	116 323	-	-	29 081	29 081	100,0%	116 323
Roads Infrastructure		32 163	37 499	37 499	-	-	9 375	9 375	100,0%	37 499
Roads		32 163	37 499	37 499	-	-	9 375	9 375	100,0%	37 499
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		4 512	5 058	5 058	-	-	1 265	1 265	100,0%	5 058
Drainage Collection		4 512	5 058	5 058	-	-	1 265	1 265	100,0%	5 058
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		3 479	4 206	4 206	-	-	1 052	1 052	100,0%	4 206
Power Plants		3 479	4 206	4 206	-	-	1 052	1 052	100,0%	4 206
Water Supply Infrastructure		55 241	65 312	65 312	-	-	16 328	16 328	100,0%	65 312
Distribution		55 241	65 312	65 312	-	-	16 328	16 328	100,0%	65 312
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		2 734	3 246	3 246	-	-	812	812	100,0%	3 246
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		2 734	3 246	3 246	-	-	812	812	100,0%	3 246
Solid Waste Infrastructure		835	1 001	1 001	-	-	250	250	100,0%	1 001
Landfill Sites		835	1 001	1 001	-	-	250	250	100,0%	1 001
Community Assets		16 754	17 300	17 300	-	-	4 325	4 325	100,0%	17 300
Community Facilities		16 754	17 300	17 300	-	-	4 325	4 325	100,0%	17 300
Halls		14 185	15 452	15 452	-	-	3 863	3 863	100,0%	15 452
Centres		2 568	1 848	1 848	-	-	462	462	100,0%	1 848
Other assets		6 514	7 148	7 148	-	-	1 787	1 787	100,0%	7 148
Operational Buildings		6 514	7 148	7 148	-	-	1 787	1 787	100,0%	7 148
Municipal Offices		6 514	7 148	7 148	-	-	1 787	1 787	100,0%	7 148
Furniture and Office Equipment		3 429	5 178	5 178	-	-	1 295	1 295	100,0%	5 178
Furniture and Office Equipment		3 429	5 178	5 178	-	-	1 295	1 295	100,0%	5 178
Machinery and Equipment		252	391	391	-	-	98	98	100,0%	391
Machinery and Equipment		252	391	391	-	-	98	98	100,0%	391
Transport Assets		4 278	2 725	2 725	-	-	681	681	100,0%	2 725
Transport Assets		4 278	2 725	2 725	-	-	681	681	100,0%	2 725
Intangible Assets		2 361	5 975	5 975	-	-	1 494	1 494	100,0%	5 975
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		2 361	5 975	5 975	-	-	1 494	1 494	100,0%	5 975
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		2 361	5 975	5 975	-	-	1 494	1 494	100,0%	5 975
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Depreciation	1	132 550	155 041	155 041	-	-	38 760	38 760	100,0%	155 041

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th
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10.2.5 Supporting Table SC13e

NW375 Moses Kotane - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -

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	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		2 790	46 088	46 088	1 967	8 434	11 522	3 088	26,8%	46 088
Roads Infrastructure		2 790	46 088	46 088	1 967	8 434	11 522	3 088	26,8%	46 088
Roads		2 790	46 088	46 088	1 967	8 434	11 522	3 088	26,8%	46 088
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	2 790	46 088	46 088	1 967	8 434	11 522	3 088	26,8%	46 088