

30. MONTHLY FINANCIAL MANAGEMENT REPORT AS AT END JULY 2024

(9/1/3/6)

Cluster : Finance

Portfolio : Finance

This report emanates from the finance portfolio committee meeting that was held on 15 August 2024

1. PURPOSE

The purpose of the report is to reflect the financial position of the Municipality for the month of JULY

OBJECTIVE

The objective of this report is to assist Council to exercise their oversight function to:

- a) Make rational decisions about the allocation of resources;
- b) Assess the current provision of services, as well as the sustainability of future service delivery;
- c) Assess how officials have discharged their accountability responsibilities;
- d) Ensure transparency in respect of the municipality's financial position and operating results;
- e) Assess the performance of the municipality measured against preset targets and objectives;
- f) Inform Council on how cash and other liquid resources were obtained and utilized;
- g) Assess whether financial resources were administered in accordance with legislative and regulatory requirements; and
- h) Promote comparative information for prior periods and actual results against budgeted or planned results;

LEGISLATIVE REQUIREMENTS:

It is important for a municipality to report in order to comply with comprehensive legislative and contractual requirements, regulations, restriction and agreements. Effective financial reporting should therefore not only involve the presentation of bare financial facts but should also make provision for compliance issues, integration and interpretation. This will enable interested parties to readily comprehend the significant aspects of a municipality's financial operations.

This report is compiled as per the requirements of Sections 54 and 71 of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA).

2. BACKGROUND

With reference to section 71 above, *"the accounting officer must by no later than 10 working days after the end of each month submit to National treasury and other spheres of government the JULY 2024 report of the municipality a statement on the implementation of the budget and the state of the financial affairs of the municipality"*

Financial reports are the primary means of communicating financial information to other interested parties. These reports are made accessible to the Executive for additional management and financial information that helps it carries out its planning, decision- making and control responsibilities, and therefore has the ability to determine the form and content of such additional information to meet its own needs.

Governance is built around the responsibilities of accountability and oversight requiring a culture of transparency and regular reporting. More detailed financial reporting to the Council will facilitate an environment in which potential or real financial problems are reported in time and in an appropriate manner to allow the council to remedy the situation.

The financial situation of the municipality as at end of JULY 2024 is indicated in the different schedules as listed below.

EXECUTIVE SUMMARY

Item of Financial Position/ Performance	Actual JUNE 2024	Actual JULY 2024	Trend Analysis
Current Assets			
(Table SC3) Debtors	R 182 766	R 243 111	Increase due to Vat accrual as well as interest accruals during year end
<u>Cash & cash equivalents:</u>			
Cashbook balance (bank reconciliation) Primary	R 6 063 014	R 71 014 094	Increase due to first tranche of Equitable share.
Cashbook balance (bank reconciliation) Licensing	R 19 858 020	R 32 327 036	
Current Liabilities			
(Table SC4)Creditors	R 203 986 968	R 186 135 888	Decrease due to income received from licensing centers.
Cash Flow			
(Table C7) Receipts	R 30 194 605	R 174 850 915	Increase due to first tranche of Equitable share.
Payments	R 38 463 457	R 97 436 819	
Cash flow closing balance	R 28 221 947	R 108 254 830	
Cost Coverage indicator	0.73	2.84	Increase due to first tranche of Equitable share.
(Table C2) Operating Revenue for Month	R 17 326 322	R 130 320 503	Received to date 31.02% (benchmark 8.33%).
Operating Expenditure for Month	R 39 598 184	R 32 098 337	Spent to date 8.41% (bench mark 8.33%).
(Table C5) Capital Expenditure	R 77 230	R 0	Total Capex budget spent to date is 0% (benchmark 8.33%) for the Month.
(Table C6) Total Assets	R 110 715 789	R 188 091 379	Municipality has liquidity problems whereby the current liabilities exceed

Item of Financial Position/ Performance	Actual JUNE 2024	Actual JULY 2024	Trend Analysis
Total Liabilities	R 228 654 695	R 210 366 829	current assets. The municipality is grants dependent and the only source of revenue is minor tariffs charges after equitable share.
Total Net Liabilities	R (117 937 040)	R (22 275 450)	
MFMA Compliance			
Monthly reports	MFMA 71,66	MFMA 71,66	Submit monthly reports on budget implementation and employee costs.
Budget	MFMA 75(1) MFMA 53 MFMA 71 MFMA 66 MFMA 21 (1)(b)	MFMA 71 MFMA 54(1)	Submit monthly report on the budget Review implementation of budget and service delivery and budget implementation plan
Quarterly Reports		MFMA 11 MFMA sec 52	Quarterly Withdrawals Statement

5.1 Table C4 Monthly budget statements July

DC42 Sedibeng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	Budget Year 2024/25								
		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							-			
Service charges - Water							-			
Service charges - Waste Water Management							-			
Service charges - Waste management							-			
Sale of Goods and Rendering of Services		195	233	233	16	16	19	(4)	-20%	233
Agency services		76 259	74 446	74 446	-	-	6 204	(6 204)	-100%	74 446
Interest										
Interest earned from Receivables		-	-	-	-	-	-	-		-
Interest from Current and Non Current Assets		5 245	3 915	3 915	236	236	326	(90)	-28%	3 915
Dividends										
Rent on Land										
Rental from Fixed Assets		434	604	604	24	24	50	(26)	-52%	604
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		2 913	4 977	4 977	91	91	415	(324)	-78%	4 977
Non-Exchange Revenue										
Property rates										
Surcharges and Taxes										
Fines, penalties and forfeits										
Licence and permits		220	1 500	1 500	15	15	125	(110)	-88%	1 500
Transfers and subsidies - Operational		322 326	329 936	329 936	129 938	129 938	27 495	102 444	373%	329 936
Interest										
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets		30	60	60	-	-	5	(5)	-100%	60
Other Gains		-	-	-	-	-	-	-		-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		407 622	415 672	415 672	130 321	130 321	34 639	95 681	276%	415 672
Expenditure By Type										
Employee related costs		304 962	320 292	320 292	24 136	24 136	26 691	(2 555)	-10%	320 292
Remuneration of councillors		14 237	14 794	14 794	1 165	1 165	1 233	(68)	-5%	14 794
Bulk purchases - electricity										
Inventory consumed		4 720	3 793	3 793	150	150	316	(166)	-52%	3 793
Debt impairment		-	-	-	-	-	-	-		-
Depreciation and amortisation		8 569	8 504	8 504	-	-	709	(709)	-100%	8 504
Interest										
Contracted services		35 267	41 530	41 530	60	60	3 461	(3 401)	-98%	41 530
Transfers and subsidies		12 407	13 136	13 136	600	600	1 095	(494)	-45%	13 136
Irrecoverable debts written off		-	-	-	-	-	-	-		-
Operational costs		35 398	35 278	35 278	5 987	5 987	2 940	3 047	104%	35 278
Losses on Disposal of Assets		17	60	60	-	-	5	(5)	-100%	60
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		415 577	437 388	437 388	32 098	32 098	36 449	(4 351)	-12%	437 388
Surplus/(Deficit)		(7 955)	(21 716)	(21 716)	98 222	98 222	(1 810)	100 032	(0)	(21 716)
Transfers and subsidies - capital (monetary allocations)										
		133	5 000	5 000	-	-	417	(417)	(0)	5 000
Transfers and subsidies - capital (in-kind)										
		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		(7 822)	(16 716)	(16 716)	98 222	98 222	(1 393)	99 616	(0)	(16 716)
Income Tax										
Surplus/(Deficit) after income tax		(7 822)	(16 716)	(16 716)	98 222	98 222	(1 393)	99 616	(0)	(16 716)
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		(7 822)	(16 716)	(16 716)	98 222	98 222	(1 393)	99 616	(0)	(16 716)
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		(7 822)	(16 716)	(16 716)	98 222	98 222	(1 393)	99 616	(0)	(16 716)

Cash flow Analysis for the Month of July

Cash Flow Statement - July 2024 to June 2025													
	ACTUAL						PROJECTED						
	July	August	September	October	November	December	January	February	March	April	May	June	Total
Opening Balance	6 060 696	71 013 596	36 230 513	13 834 924	10 409 878	15 681 876	51 030 162	28 589 820	16 199 521	51 460 231	22 091 596	23 144 332	6 060 696
													-
Cash Inflow	237 210 801	69 862 908	70 698 989	56 319 440	42 453 294	192 492 687	51 380 442	55 262 861	114 622 265	51 731 558	35 733 616	39 171 199	1 016 940 060
RSC Levies	-	-	-	-	-	-	-	-	-	-	-	-	-
Sundries	5 018 402	1 231 923	998 556	1 175 999	4 299 236	1 251 724	699 320	1 003 572	571 239	1 547 504	570 835	4 009 248	22 377 558
Licensing	95 000 000	65 000 000	62 000 000	55 000 000	38 000 000	85 000 000	50 000 000	53 000 000	38 000 000	50 000 000	35 000 000	35 000 000	661 000 000
Transfer from call / investment	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical aid Pensioners income	188 244	129 985	159 633	143 441	154 058	129 763	196 122	150 289	128 003	184 054	162 781	161 951	1 888 324
Subsidies and Grants	137 004 155	3 501 000	7 540 800	-	-	106 111 200	485 000	1 109 000	75 923 023	-	-	-	331 674 178
Less RD Cheques	-	-	-	-	-	-	-	-	-	-	-	-	-
													-
Cash Outflow	(172 257 901)	(104 645 991)	(93 094 578)	(59 744 486)	(37 181 296)	(157 144 401)	(73 820 784)	(67 653 160)	(79 361 555)	(81 100 193)	(34 680 880)	(50 417 240)	(1 011 102 465)
Salaries	(26 320 645)	(28 055 359)	(29 961 280)	(28 306 398)	(28 835 909)	(27 696 217)	(27 251 583)	(29 608 835)	(27 610 635)	(27 243 100)	(28 259 498)	(27 950 770)	(337 100 229)
Capital Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Sundries	-	-	-	-	-	-	-	-	-	-	-	-	-
Licensing	(56 321 086)	(34 098 372)	(26 113 604)	(24 707 963)	-	(46 295 081)	(15 555 812)	(21 332 845)	(20 916 605)	(20 213 872)	-	-	(265 555 240)
Other Creditors	(89 616 170)	(42 492 260)	(37 019 694)	(6 730 125)	(8 345 387)	(83 153 103)	(31 013 389)	(16 711 480)	(30 834 315)	(33 643 221)	(6 421 382)	(22 466 470)	(408 446 996)
External Int/Red	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to call	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	71 013 596	36 230 513	13 834 924	10 409 878	15 681 876	51 030 162	28 589 820	16 199 521	51 460 231	22 091 596	23 144 332	11 898 291	11 898 291

5.2 Table SC6, 7(1) and 7(2) Grants received and spent for July

Description	Original Budget	Adjustment Budget	Grants tranche received for the month	Total Grants Received July to date	Total Grants Spent July to date	Actual June 2024	Actual July 2024	Balance	%	Comment
RAMS	2 733 000,00	-	0,00	0,00	91 581,36	445 589,08	91 581,36	-91 581,36		Interns Stipend
FMG	1 400 000,00	0,00	0,00	0,00	155 914,09	77 098,63	155 914,33	-155 914,09	#DIV/0!	Interns Stipend
EPWP	1 222 000,00	0,00	0,00	0,00	87 950,80	146 991,45	87 950,80	-87 950,80	#DIV/0!	Expenditure incurred for EPWP grants programs managed by SPED
HIV&AIDS	13 171 000,00	0,00	7 902 600,00	7 902 600,00	512 274,32	3 444 235,93	512 274,32	7 390 325,68	6,48%	Payment of salaries
DSRACH	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	#DIV/0!	Expenditure incurred for YDP managed by community services.
Total	18 526 000,00	0,00	7 902 600,00	7 902 600,00	847 720,57	4 113 915,09	847 720,81	7 054 879,43	10,73%	

3. DISCUSSIONS

The discussions below are broadly categorized under items of financial position (balance sheet), items of financial performance (income statement) and cash flow, as well as other information of key importance such as Asset Management and MFMA Compliance.

Financial Position

The balance sheet of Council is broadly distinguished into "Assets" (what Council owns) and "Liabilities" (what Council owes) as per Generally Accepted Accounting Principles (GRAP). The difference between assets and liabilities is referred to as the "Net Assets."

The net assets of Council are primarily composed of reserves that Council has built up over the years. The nature of these reserves can be either ring-fenced for specific use only (non-distributable reserves), or redistributable for other use as determined by Council. It must be noted that these reserves are non-cash items and Council's cash held as investments do not match these reserves.

a) Current Assets

Debtors Management and Credit Control Status for the month ending July

The debtor's book balance of the municipality as attached in annexure A is R 2 335 265 less bad debts impairment R 2 092 154 resulting to R 243 111.

0-30 days	31-60	61-90	91-120	121-150	151-180	181-1 Yr	Over 1 Yr	Total
243 111	0	0	0	0	0	0	2 092 154	2 335 265

Bank reconciliation

Annexure" C1 – 4" indicate the bank reconciliations prepared for the month of July 2024 with the detail on the bank and cash book balances.

The Council has four operating bank accounts Account to be reported on namely:

- Two Primary bank accounts, and
- Two License bank accounts

Council is operating four primary accounts. Bank reconciliations are completed monthly within three working days after the end of each month.

The cashbook shows a favorable balance of R 103 341 129 as at end of July.

The remaining cash balance must meet operational requirements till end of November 2024, until receipt of the next equitable Share tranche due in December 2024.

b) Current Liabilities

Creditors' Age Analysis

Annexure "D" represents the creditors' age analysis of R 186 135 888 payable to the creditors in July 2024. An amount of R 124 557 502 is due payable to the licensing authority.

0-30 days	31-60	61-90	91-120	121-150	151-180	181-1 Yr	Over 1 Yr	Total
39 408 482	0	0	0	0	0	0	146 727 406	186 135 888

c) Net Assets

Reserves

The balance sheet of Council is broadly distinguished into "Assets" (what Council owns) and "Liabilities" (what Council owes) as per Generally Accepted Accounting Principles (GRAP). The difference between assets and liabilities is referred to as the "Net Assets."

The net assets of Council are primarily composed of reserves that Council has built up over the years. The nature of these reserves is that they are ring-fenced for specific use only (non-distributable reserves), as determined by accounting standards. It must be noted that reserves comprise of mostly accounting book-entries and are non-cash transactions. This implies that the reserves on the face of the financial statements do not equate to cash held as investments by Council.

As required by prescribed accounting standards (GRAP 01), only provisions are shown separately on the face of the Statement of Financial Position. All reserves are "ring-fenced" as internal reserves within the Accumulated Surplus. Ring-fenced reserves are as follows:

- Assets fair value reserve
- Government grant reserve (GGR)

These reserves not supported by cash but are only used for book entry purposes for the phasing in of increased depreciation charges as a result of the full implementation of GRAP 17.

According to GRAP standards, the GGR is created when the municipality receives government grants for the acquisition and/or construction of fixed assets. Once the conditions of the capital grant have been met, the funds are recognized as "revenue" (non-cash) on the statement of financial performance. This "revenue" recognized is then in turn transferred out of the Accumulated Surplus to the GGR on the Statement of Net Assets in order to offset the future depreciation of the property, plant and equipment in question. Hence, the reserve is committed solely for this purpose and cannot be utilized for any other purpose. This is referred to as the non-distributable portion of the reserves. Council must note that these are all non-cash entries.

The purpose of these reserves is to promote community equity and facilitate budgetary control by ensuring that sufficient funds (non-cash) are set aside on the accounting books to offset the future depreciation charges (non-cash) that will be incurred over the estimated useful life of the item of property, plant and equipment financed from government grants, public contributions or a (non-cash) surplus arising from the revaluation of property, plant and equipment.

Council must note that these are all non-cash entries performed only for compliance purposes in line with accounting standards prescribed by the Accounting Standards Board (ASB) and enforced by the Office of the Accountant-General.

d) Cash Flow

See Annexures "B"," C1- 4"," E"

Essentially, the cash flow statement is concerned with the flow of physical cash in and cash out of the municipality as we collect monies owed by debtors and pay out monies due to creditors.

Annexure "E" is Council's cash flow statement which indicates the movements on the main bank accounts. The incoming receipts amount to R 174 850 915 outgoing payments were made to the amount of R 97 436 819. Taking into account the opening cashbook balance, this left a favorable closing balance of R 108 254 830 as end of July 2024 period, which shows a decrease margin from last month's closing balance.

Cost coverage indicator.

The cost coverage formula =
$$\frac{\text{(All available cash at the end of the period in the cashbook) + (investments at hand less Provisions)}}{\text{Monthly fixed operating expenditure}}$$

$$\begin{aligned} \text{The cost coverage formula} &= \frac{R (103\,341\,130 + R0)}{R\,36\,444\,366} \\ &= \underline{2.84 \text{ TIMES}} \end{aligned}$$

The cost coverage of the municipality indicates 2.84 monthly fixed operating expenditure and shows that the cash flow of the municipality is favorable. Our cash formula on hand must cover at least until end of July 2024 as the next equitable share allocation is in December 2024. The formula does not take into consideration the contingent assets and liabilities whereby if taken into consideration this will indicate that the municipality is having a liquidity problem as identified in the AG reports of 2021/2022 as well as 2022/23.

Grant allocations and expenditure:

Annexure "F" represents the Grants allocation and their expenditure.

Equitable Share

First tranche of Equitable Share for 2023/24 amounting to R 126 391 000 was received in month of July second tranche in December amounting to R 101 084 000 and last tranche in March R 75 834 000.

Financial Management Grant (FMG):

An amount of R 1 400 000 received in month of August 2023, Expenditure incurred of R 77 099 in June, FMG Interns were involved in the following activities during the month as part of their training rotation plan:

Three interns in Supply Chain Management

The interns have attended CPMD training as part of the internship agreement with National Treasury.

Rural Roads Assets Management Grant

An amount of R 2 733 000 gazetted 2024-25, Expenditure incurred amount to R 91 581.

HIV/Aids

An amount of R12 568 000 gazetted for 2024-25, an amount of R 7 902 600 was received in July and, Expenditure incurred for the month of July amount to R 512 274.

Extended Public Works Projects

An amount of R 1 222 000 is gazetted, expenditure incurred for month of July is R 87 951.

Grant payments to Local Municipalities:

No grant payments were scheduled for local municipalities for the month of July.

6.2 Financial Performance

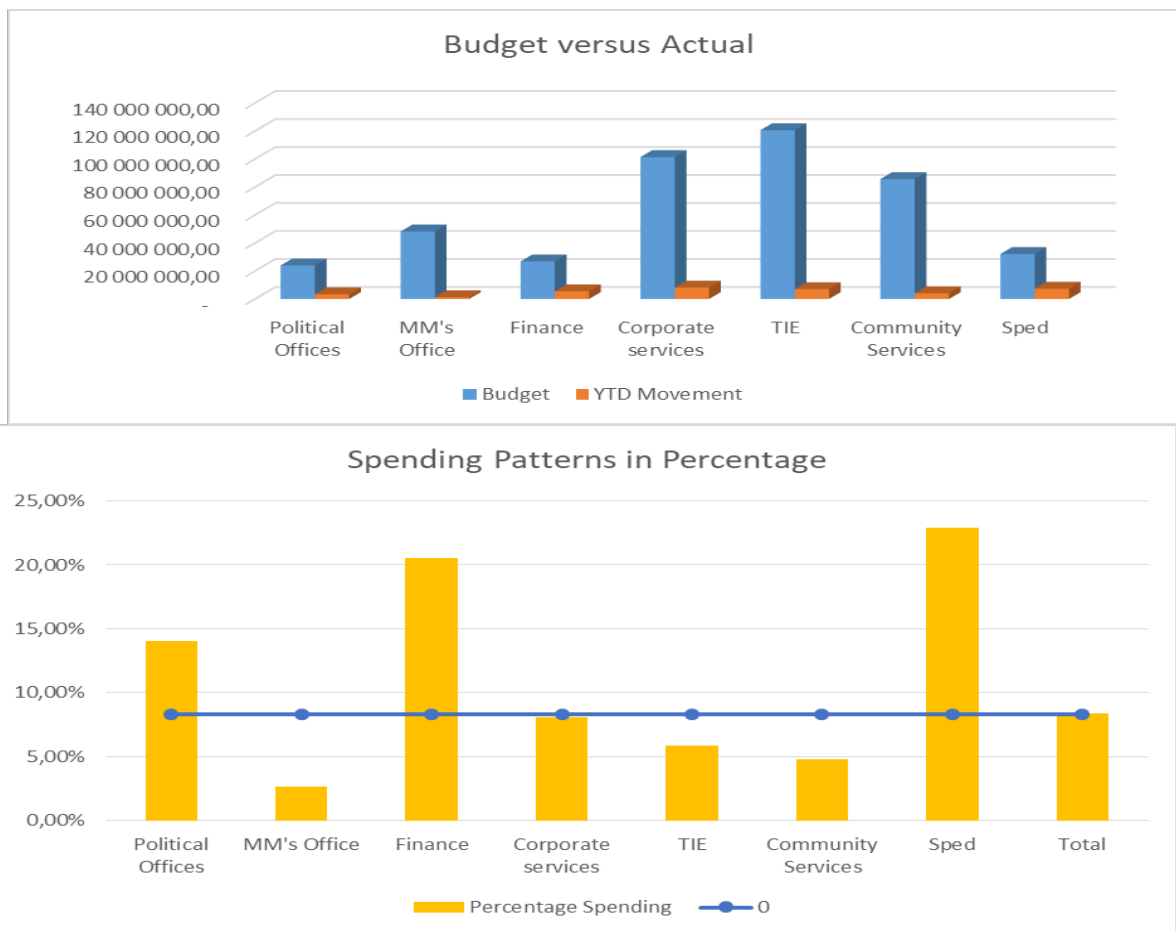
Financial performance shows the results of operations for the given period. It lists sources of revenue and expenses. The statement measures the performance of Council for a given period of time. Surplus or deficit is used to measure financial performance and directly related to the measurement of revenue and expenditure for the reporting period.

Operating expenses are incurred in the course of conducting normal Council business. They are classified by function such as employee related costs, general expenses, finance charges and contributions to provisions.

“See Annexures G, H & I”

Actual revenue and expenditure

Annexure “G” represents the organizational Operating Revenue and Expenditure which illustrates that R 30 320 503 was generated in revenue R 32 098 337 in expenditure.



a) Pro-Rata Operating Comparative Analysis (Budget vs. Actual by Cluster)

The Total Performance of the municipality as per our findings and reviews are as follows:

As the month of July 2024 signals the 1st month of the first quarter 2024/25 financial year, spending trends ought to be around 8.33% “Other Income” consists of income items such as, profit on sale of assets; skills levy income, tender income and commission on salaries.

The monthly performance indicates that total operating expenditure rate is standing at 8.41% and revenue is at 31.02% of the pro rata budget.

Intervention, measures:

The Supply Chain Management Unit together with Financial Management both serve on the Contract Management Committee chaired by Corporate Services: Legal & Support to monitor contractual obligations and performance management of service providers.

Cost Containment measures are still in place to cut down on expenditure. Refer to the graphs above;

b) Pro-Rata Capital Comparative Analysis (Budget vs. Actual)

“Annexure H” represents the Capital expenditure and Revenue sources. No expenditure incurred for the month of July.

An amount of R 1 820 000 was funded internally for various moveable assets such as furniture & equipment, computers & printers and vehicles, and R 120 000 was funded from the Financial Management Grant for the procurement of office machinery and vehicle.

(Annexure I) The spending analysis on own fixed assets as at end of July 2024 is shown in the table below:-

Description	Budget	Adjustment Budget	Monthly Spending	Commitment	Movements	Balance	percentage
Furniture and Equipment	400 000	0	0	17 500	0	400 000	0,00%
Computer Equipment and Networks	300 000	0	0	7 269	0	300 000	0,00%
New Ict Equipment	1 000 000	0	0	0	0	1 000 000	0,00%
Machinery and Equipment	0	0	0	0	0	0	0,00%
Capital Expenditure On New Ict Equipment Finance	120 000	0	0	0	0	120 000	0,00%
RRAMS ICT Equipment	0	0	0,00	0	0	0	0,00%
RRAMS Vehicles	0	0	0	0	0	0	0,00%
Total	1 820 000	0	0	24 769	0	1 820 000	0,00%

The indication for capital projects is that all expenses is funded internally for the various components of assets as per the above table.

Asset Management

A scheduled year-end asset stock takes place and during this stock-take the physical condition and location of assets were verified in order to ensure completeness and accuracy of the fixed asset register. Currently, asset verification stock take takes place twice a year.

No other matters of material significance to report for Asset Management.

6.3 Monitoring of Compliance

Policy Governance of Municipal Finance and MFMA Compliance

As part of improving Sedibeng District Municipality's MFMA reporting module, the project plan report indicates our compliance to the requirements as outlined per the MFMA for the financial year 1 July 2023 to June 2024, which has been divided into timeframes of reporting: Annually, Quarterly, Monthly & Ad-hoc.

Finance is pleased to inform the Committee that our obligations in terms of compiling the annual financial statements within the prescripts of GRAP and the requirements of the MFMA have been duly met on time.

It must be noted that the individual Clusters are responsible to action projects and programed based on their planned OPEX and CAPEX budgets as aligned with their overall SDBIPs. Finance facilitates and supports the Clusters in an overview capacity to ensure that required targets are met. However, without full cooperation of the Clusters in providing substantiation to the comparative reports, Finance cannot completely assure the quality and accuracy of the information disclosed in this report.

See Attached Annexures reflecting detail information:

"A"	–	Debtors Age Analysis
"B"	–	Investment Schedule
"C"	–	Bank Reconciliations
"D"	–	Creditors Age Analysis
"E"	–	Cash Flow Statement
"F"	–	Grants Allocation and Expenditure
"G"	–	Operating Revenue and Expenditure
"H"	–	Capital Expenditure and Revenue Source
"I"	–	Capital Projects Progress
"J"	–	MFMA Compliance

RECOMMENDED:

It is therefore recommended :

THAT the financial management report as at the end July 2024 as per attach as annexure "A" to "J" be considered as prescribed by section 54(1) of the Local Government: Municipal Finance Management Act, 56 of 2003.

Description	NT Code	Budget Year 2024/25										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
R thousands														
Debtors Age Analysis By Income Source	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	243	-	-	-	-	-	-	2 092	2 335	2 092	-	-	2 092
Total By Income Source	2000	243	-	-	-	-	-	-	2 092	2 335	2 092	-	-	2 092
2023/24 - totals only	0	0	140559	0	0	0	0	7087401	954100	8 182	8 042	0	-	954100
Debtors Age Analysis By Customer Group	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Organs of State	2200	243	-	-	-	-	-	-	2 092	2 335	2 092	-	-	2 092
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	243	-	-	-	-	-	-	2 092	2 335	2 092	-	-	2 092
Notes	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Material increases in value of debtors' categories compared to previous month to be explained		0	0	0	0	0	0	0	0	0	0	0	0	0
Bad debts = amounts actually written off in the month		0	0	0	0	0	0	0	0	0	0	0	0	0
Total by Income Source must reconcile with Total by Customer Group	0	0	-	-	-	-	-	-	-	-	-	0	-	0

Opening balance

-

-

DC42 Sedibeng - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01

R thousands	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 ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment
			Yrs/Months							
	Municipality									
	Municipality sub-total									
	Entities sub-total									

References
 2. List investments in expiry date order
 3. If 'variable' is selected in column F, input interest rate range

4. Withdrawals to be entered as negative

BANKRECONCILIATION AS AT 31-Jul-24

ANNEXUR

**LICENSING BANK ACCOUNT NEDBANK: 1152944606
GL VOTE NUMBER - 33215020690000000000**

CASH BOOK BALANCE AS AT	1/Jul/2024	R	8 970 198,54
PLUS : INCOME RECEIVED		R	2 611 984,50
LICENCE INCOME			2 611 984,50
FUEL SALES			0,00
LESS: RD CHEQUES			0,00
MINUS : EXPENDITURE		R	-988,85
TRANSFER TO MAIN ACCOUNT			0,00
BANK CHARGES			0,00
BANK CHARGES CARD FEES			-988,85
BANK COST			0,00
CASHBOOK BALANCE AS AT	31/Jul/2024	R	11 581 194,19
PLUS: OUTSTANDING CHEQUES		R	-
MINUS: OUTSTANDING DEPOSITS		R	-
PLUS : DEPOSITS NOT YET LINKED		R	-
BANK BALANCE AS AT	31/Jul/2024	R	11 581 194,19

BANKRECONCILIATION AS AT 31/Jul/2024

ANNEXURE "C4"

**LICENSING BANK ACCOUNT STANDARD: 21781494
GL VOTE NUMBER - 33215020190000000000**

CASH BOOK BALANCE AS AT 1/Jul/2024 R 10 887 821,13

PLUS : INCOME RECEIVED R 30 168 854,86

LICENCE INCOME	30 066 390,08
INTEREST	102 464,78
LESS: RD CHEQUES	0,00

MINUS : EXPENDITURE R -20 316 834,42

TRANSFER TO MAIN ACCOUNT	-20 000 000,00
BANK CHARGES	-37 140,33
BANK CHARGES CARD FEES	-279 694,09
BANK COST	0,00

CASHBOOK BALANCE AS AT 31/Jul/2024 R 20 739 841,57

PLUS: OUTSTANDING CHEQUES	R	-
MINUS: OUTSTANDING DEPOSITS	R	-
PLUS : DEPOSITS NOT YET LINKED	R	-

BANK BALANCE AS AT 31/Jul/2024 R 20 739 841,57

DC42 Sedibeng - Table C7 Monthly Budget Statement - Cash Flow - M01 July

ANNEXURE "E"

Description	Ref	2023/24	Budget Year 2024/25	0	0	0	0	0	0	0
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	0	0	0	0	0	0	0	%	0
CASH FLOW FROM OPERATING ACTIVITIES	0	0	0	0	0	0	0	0	0	0
Receipts	0									
Property rates	0	-	-	-	-	-	-	-	-	-
Service charges	0	-	-	-	-	-	-	-	-	-
Other revenue	0	384 632	436 430	436 430	37 653	37 653	36 369	1 284	4%	436 430
Transfers and Subsidies - Operational	0	321 001	329 936	329 936	136 962	136 962	27 495	109 467	398%	329 936
Transfers and Subsidies - Capital	0	-	5 000	5 000	-	-	417	(417)	-100%	5 000
Interest	0	5 009	3 915	3 915	236	236	326	(90)	-28%	3 915
Dividends	0	-	-	-	-	-	-	-	-	-
Payments	0								0%	
Suppliers and employees	0	(714 196)	(776 515)	(776 515)	(97 437)	(97 437)	(64 710)	32 727	-51%	(776 515)
Interest	0	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	0	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	0	(3 554)	(1 233)	(1 233)	77 414	77 414	(103)	(77 517)	75412%	(1 233)
CASH FLOWS FROM INVESTING ACTIVITIES	0									
Receipts	0									
Proceeds on disposal of PPE	0	30	60	60	-	-	5	(5)	-100%	60
Decrease (increase) in non-current receivables	0	-	-	-	-	-	-	-	0%	-
Decrease (increase) in non-current investments	0	-	-	-	-	-	-	-	-	-
Payments	0									
Capital assets	0	(1 053)	(6 820)	(6 820)	-	-	(568)	(568)	100%	(6 820)
NET CASH FROM/(USED) INVESTING ACTIVITIES	0	(1 023)	(6 760)	(6 760)	-	-	(563)	(563)	100%	(6 760)
CASH FLOWS FROM FINANCING ACTIVITIES	0									
Receipts	0									
Short term loans	0	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	0	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	0	(15)	-	-	-	-	-	-	-	-
Payments	0								0%	
Repayment of borrowing	0	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	0	(15)	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	0	(4 592)	(7 993)	(7 993)	77 414	77 414	(666)	-	-	(7 993)
Cash/cash equivalents at beginning:	0	(32 783)	(27 431)	(27 431)	30 841	30 841	(27 431)	-	-	30 841
Cash/cash equivalents at month/year end:	0	(37 375)	(35 425)	(35 425)	108 255	108 255	(28 097)	-	-	22 847

Description	Ref	2023/24	Budget Year 2024/25	0	0	0	0	0	0	0
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	0	0	0	0	0	0	0	0	0	0
RECEIPTS:	1,2	-	-	-	-	-	-	-	0,0%	-
	0	-	-	-	-	-	-	-	0,0%	-
Operating Transfers and Grants	0	-	-	-	-	-	-	-	0,0%	-
National Government:	0	307 830	315 097	315 097	129 394	129 394	26 258	103 136	392,8%	315 097
Equitable Share	0	303 338	309 742	309 742	129 059	129 059	25 812	103 247	400,0%	309 742
Expanded Public Works Programme Integrated Grant	0	1 057	1 222	1 222	88	88	102	(14)	-13,6%	1 222
Local Government Financial Management Grant	0	1 347	1 400	1 400	156	156	117	39	33,6%	1 400
Municipal Disaster Relief Grant	0	-	-	-	-	-	-	-	-	-
Public Transport Network Grant	0	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	3	2 089	2 733	2 733	92	92	228	(136)	-59,8%	2 733
Water Services Infrastructure Grant	0	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	0	-	-	-	-	-	-	-	-	-
Provincial Government:	0	14 495	14 839	14 839	544	544	1 237	(693)	-56,0%	14 839
Capacity Building and Other Grants	0	14 495	14 839	14 839	544	544	1 237	(693)	-56,0%	14 839
Other transfers and grants [insert description]	0	-	-	-	-	-	-	-	-	-
District Municipality:	0	-	-	-	-	-	-	-	-	-
[insert description]	0	-	-	-	-	-	-	-	-	-
Other grant providers:	0	-	-	-	-	-	-	-	-	-
National Youth Development Agency	0	-	-	-	-	-	-	-	-	-
Parent Municipality	0	-	-	-	-	-	-	-	-	-
Public Service Commission	0	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	322 326	329 936	329 936	129 938	129 938	27 495	102 444	372,6%	329 936
	0	-	-	-	-	-	-	-	0,0%	-
Capital Transfers and Grants	0	-	-	-	-	-	-	-	0,0%	-
National Government:	0	133	5 000	5 000	-	-	417	(417)	-100,0%	5 000
Energy Efficiency and Demand Side Management Grant	0	-	5 000	5 000	-	-	417	(417)	-100,0%	5 000
Municipal Disaster Relief Grant	0	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	0	133	-	-	-	-	-	-	-	-
Provincial Government:	0	-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants	0	-	-	-	-	-	-	-	-	-
District Municipality:	0	-	-	-	-	-	-	-	-	-
[insert description]	0	-	-	-	-	-	-	-	-	-
Other grant providers:	0	-	-	-	-	-	-	-	-	-
[insert description]	0	-	-	-	-	-	-	-	-	-
Parent Municipality	0	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	133	5 000	5 000	-	-	417	(417)	-100,0%	5 000
	0	-	-	-	-	-	-	-	0,0%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	322 458	334 936	334 936	129 938	129 938	27 911	102 027	365,5%	334 936

References

0

DC42 Sedibeng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	2023/24		Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Fu
R thousands	0	0	0	0	0	0	0	0	0	
Revenue	0	0	0	0	0	0	0	0	0	
Exchange Revenue	0	0	0	0	0	0	0	0	0	
Service charges - Electricity	0	-	-	-	-	-	-	-	-	
Service charges - Water	0	-	-	-	-	-	-	-	-	
Service charges - Waste Water Manag	0	-	-	-	-	-	-	-	-	
Service charges - Waste management	0	-	-	-	-	-	-	-	-	
Sale of Goods and Rendering of Servi	0	195	233	233	16	16	19	(4)	-20%	
Agency services	0	76 259	74 446	74 446	-	-	6 204	(6 204)	-100%	
Interest	0	-	-	-	-	-	-	-	-	
Interest earned from Receivables	0	-	-	-	-	-	-	-	-	
Interest from Current and Non Current	0	5 245	3 915	3 915	236	236	326	(90)	-28%	
Dividends	0	-	-	-	-	-	-	-	-	
Rent on Land	0	-	-	-	-	-	-	-	-	
Rental from Fixed Assets	0	434	604	604	24	24	50	(26)	-52%	
Licence and permits	0	-	-	-	-	-	-	-	-	
Operational Revenue	0	2 913	4 977	4 977	91	91	415	(324)	-78%	
Non-Exchange Revenue	0	-	-	-	-	-	-	-	-	
Property rates	0	-	-	-	-	-	-	-	-	
Surcharges and Taxes	0	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	0	-	-	-	-	-	-	-	-	
Licence and permits	0	220	1 500	1 500	15	15	125	(110)	-88%	
Transfers and subsidies - Operational	0	322 326	329 936	329 936	129 938	129 938	27 495	102 444	373%	
Interest	0	-	-	-	-	-	-	-	-	
Fuel Levy	0	-	-	-	-	-	-	-	-	
Operational Revenue	0	-	-	-	-	-	-	-	-	
Gains on disposal of Assets	0	30	60	60	-	-	5	(5)	-100%	
Other Gains	0	-	-	-	-	-	-	-	-	
Discontinued Operations	0	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)	0	407 622	415 672	415 672	130 321	130 321	34 639	95 681	276%	
Expenditure By Type	0	-	-	-	-	-	-	-	-	
Employee related costs	0	304 962	320 292	320 292	24 136	24 136	26 691	(2 555)	-10%	
Remuneration of councillors	0	14 237	14 794	14 794	1 165	1 165	1 233	(68)	-5%	
Bulk purchases - electricity	0	-	-	-	-	-	-	-	-	
Inventory consumed	0	4 720	3 793	3 793	150	150	316	(166)	-52%	
Debt impairment	0	-	-	-	-	-	-	-	-	
Depreciation and amortisation	0	8 569	8 504	8 504	-	-	709	(709)	-100%	
Interest	0	-	-	-	-	-	-	-	-	
Contracted services	0	35 267	41 530	41 530	60	60	3 461	(3 401)	-98%	
Transfers and subsidies	0	12 407	13 136	13 136	600	600	1 095	(494)	-45%	
Irrecoverable debts written off	0	-	-	-	-	-	-	-	-	
Operational costs	0	35 398	35 278	35 278	5 987	5 987	2 940	3 047	104%	
Losses on Disposal of Assets	0	17	60	60	-	-	5	(5)	-100%	
Other Losses	0	-	-	-	-	-	-	-	-	
Total Expenditure	0	415 577	437 388	437 388	32 098	32 098	36 449	(4 351)	-12%	
Surplus/(Deficit)	0	(7 955)	(21 716)	(21 716)	98 222	98 222	(1 810)	100 032	(0)	
Transfers and subsidies - capital (monetary allocations)	0	133	5 000	5 000	-	-	417	(417)	(0)	
Transfers and subsidies - capital (in-kind)	0	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	0	(7 822)	(16 716)	(16 716)	98 222	98 222	(1 393)	99 616	(0)	
Income Tax	0	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after income tax	0	(7 822)	(16 716)	(16 716)	98 222	98 222	(1 393)	99 616	(0)	
Share of Surplus/Deficit attributable to	0	-	-	-	-	-	-	-	-	
Share of Surplus/Deficit attributable to	0	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality	0	(7 822)	(16 716)	(16 716)	98 222	98 222	(1 393)	99 616	(0)	
Share of Surplus/Deficit attributable to	0	-	-	-	-	-	-	-	-	
Intercompany/Parent subsidiary transa	0	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	0	(7 822)	(16 716)	(16 716)	98 222	98 222	(1 393)	99 616	(0)	

DC42 Sedibeng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

ANNEXURE "H"

Vote Description	Ref	2023/24	Budget Year	0	0	0	0	0	0	0
		Audited Outcome	2024/25 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	0	0	0	0	0	0	0	0	0
Multi-Year expenditure appropriation	2	-	-	-	-	-	-	-	-	-
Vote 01 - Executive & Council	0	-	-	-	-	-	-	-	-	-
Vote 02 - Budget & Treasury Office	0	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services	0	-	5 000	5 000	-	-	417	(417)	-100%	5 000
Vote 04 - Roads And Transport	0	-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Development	0	-	-	-	-	-	-	-	-	-
Vote 06 - Community & Social Services	0	-	-	-	-	-	-	-	-	-
Vote 07 -	0	-	-	-	-	-	-	-	-	-
Vote 08 -	0	-	-	-	-	-	-	-	-	-
Vote 09 -	0	-	-	-	-	-	-	-	-	-
Vote 10 -	0	-	-	-	-	-	-	-	-	-
Vote 11 -	0	-	-	-	-	-	-	-	-	-
Vote 12 -	0	-	-	-	-	-	-	-	-	-
Vote 13 -	0	-	-	-	-	-	-	-	-	-
Vote 14 -	0	-	-	-	-	-	-	-	-	-
Vote 15 - Other	0	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	5 000	5 000	-	-	417	(417)	-100%	5 000
Single Year expenditure appropriation	2	-	-	-	-	-	-	-	0%	-
Vote 01 - Executive & Council	0	-	-	-	-	-	-	-	-	-
Vote 02 - Budget & Treasury Office	0	105	120	120	-	-	10	(10)	-100%	120
Vote 03 - Corporate Services	0	778	1 700	1 700	-	-	142	(142)	-100%	1 700
Vote 04 - Roads And Transport	0	137	-	-	-	-	-	-	-	-
Vote 05 - Planning & Development	0	-	-	-	-	-	-	-	-	-
Vote 06 - Community & Social Services	0	-	-	-	-	-	-	-	-	-
Vote 07 -	0	-	-	-	-	-	-	-	-	-
Vote 08 -	0	-	-	-	-	-	-	-	-	-
Vote 09 -	0	-	-	-	-	-	-	-	-	-
Vote 10 -	0	-	-	-	-	-	-	-	-	-
Vote 11 -	0	-	-	-	-	-	-	-	-	-
Vote 12 -	0	-	-	-	-	-	-	-	-	-
Vote 13 -	0	-	-	-	-	-	-	-	-	-
Vote 14 -	0	-	-	-	-	-	-	-	-	-
Vote 15 - Other	0	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	1 020	1 820	1 820	-	-	152	(152)	-100%	1 820
Total Capital Expenditure	0	1 020	6 820	6 820	-	-	568	(568)	-100%	6 820
Capital Expenditure - Functional Classification	0	-	-	-	-	-	-	-	0%	-
<i>Governance and administration</i>	0	883	6 820	6 820	-	-	568	(568)	-100%	6 820
Executive and council	0	-	-	-	-	-	-	-	-	-
Finance and administration	0	883	6 820	6 820	-	-	568	(568)	-100%	6 820
Internal audit	0	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	0	-	-	-	-	-	-	-	-	-
Community and social services	0	-	-	-	-	-	-	-	-	-
Sport and recreation	0	-	-	-	-	-	-	-	-	-
Public safety	0	-	-	-	-	-	-	-	-	-
Housing	0	-	-	-	-	-	-	-	-	-
Health	0	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	0	137	-	-	-	-	-	-	-	-
Planning and development	0	137	-	-	-	-	-	-	-	-
Road transport	0	-	-	-	-	-	-	-	-	-
Environmental protection	0	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	0	-	-	-	-	-	-	-	-	-
Energy sources	0	-	-	-	-	-	-	-	-	-
Water management	0	-	-	-	-	-	-	-	-	-
Waste water management	0	-	-	-	-	-	-	-	-	-
Waste management	0	-	-	-	-	-	-	-	-	-
<i>Other</i>	0	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	1 020	6 820	6 820	-	-	568	(568)	-100%	6 820
Funded by:	0	-	-	-	-	-	-	-	0%	-
National Government	0	242	5 120	5 120	-	-	427	(427)	-100%	5 120
Provincial Government	0	-	-	-	-	-	-	-	-	-
District Municipality	0	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	0	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	0	242	5 120	5 120	-	-	427	(427)	-100%	5 120
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds	0	778	1 700	1 700	-	-	142	(142)	-100%	1 700
Total Capital Funding	0	1 020	6 820	6 820	-	-	568	(568)	-100%	6 820

PROJECT PLAN – CONFIRMATION OF COMPLIANCE

ANNEXURE "11"

No	Requirement	Compliance with	Period	Responsible Person	Target Date	TICK
1	Irregular expenditure constituting theft, fraud/criminal offence reported to police.	MFMA 32(6)	2023/2024	CFO/MM	Adhoc	✓
2	Impending shortfalls in budget revenue and over spending of budget reported to Council.	MFMA 70(1)	2023/2024	Charles Steyn	Adhoc	✓
3	Report on any failure to adopt/implement budget related policies to Mayor, National and Provincial Treasury.	MFMA 73	2023/2024	Charles Steyn	Adhoc	✓
4	Placing of documents on website within five days of tabling in Council.	MFMA 75	2023/2024	Kajal Wieser Charles Steyn	Adhoc	✓
5	Reasons received from delegated officials when at least three quotations not received.	Notice 868 of 2005	2023/2024	Kajal Wiese	Adhoc	✓
			2023/2024			✓
6	Any contributions in respect of inducements, rewards, gifts and favours to officers	Notice 868 of 2005	2023/2024	All Finance Staff		✓
7	Notification of intention to investigate public – private partnerships given to National Treasury prior to start of study.	0	2023/2024	CFO	Adhoc	✓
		Reg 2(1)(a)	2023/2024			✓
8	Report received from all entities of any irregular, fruitless or wasteful expenditure – submitted to Mayor, Auditor General.	MFMA 102(1)	2023/2024	Kajal Wiese	Adhoc	✓

PROJECT PLAN – CONFIRMATION OF COMPLIANCE
Quarterly

ANNEXURE "I3"

No	Requirement	Compliance with	Period	Responsible Person	Target Date	SEPT	DEC	MAR	JUNE
1	Consolidated report submitted of all withdrawals for quarter, to Provincial Treasury and Auditor General.	MFMA 11(4)	Quarterly	Charles Steyn/ Masechaba Magalefa	30 days after month-end (3 rd Month)				
2	Changes in banking details notified to National and Provincial Treasury and Auditor General.	MFMA 8(5) 9(a) 86(1)(a)	Quarterly	Lerato Tabane & Charles Steyn	Quarterly				
3	Overdrawn position of any bank accounts reported to National Treasury.	MFMA 70(2)	Quarterly	Lerato Tabane & Charles Steyn	Quarterly				
4	Quarterly report to Council on implementation of Supply Chain Policy.	Notice 868 of 2005 Reg 6(3)	Quarterly	Charles Steyn	Quarterly				
5	Reasons for any deviations from any recommended tender submitted to National and Provincial Treasury and Auditor General.	MFMA 114(1) Notice 868 of 2005 Reg 29(7)		Charles Steyn	Quarterly				
6	DC42_BM (External Debt Created, Repaid or Redeemed)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)				
7	DC42_ME (Municipal Entity Quarterly Return)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)				
7	DC42_LTC (Long Term Contracts Quarterly Return - > R1mil <u>AND</u> > 5yr)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)				
8	DC42_MFM1 (Quartely MFMA Implementation and Monitoring Checklist-Implementation Priorities)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)				
9	Quarterly Financial Early Warning Report	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)				
10	Conduct a monthly performance review with staff.	Policy and Procedures	Quarterly	Charles Steyn CFO	Quarterly				

	Requirement	Compliance with	Period	Responsible Person	Target Date	TICK
Budget	Budget has been tabled and is ready for making public - DRAFT BUDGET	MFMA 22	Annually	Kajal Wiese	90 days before financial year end	✓
	- FINAL BUDGET		Annually	Kajal Wiese	30 days before financial year end	✓
Budget	Annual budget in both electronic and printed format submitted after tabling in Council to Public, National and Provincial Treasury.	MFMA 22(a) and (b)	Annually	Kajal Wiese	31-May	✓
Budget	Approved budget submitted to National and Provincial Treasury.	MFMA 24(3)	Annually	Kajal Wiese	30-Jun	✓
SDBIP	Draft service delivery and budget implementation plan (SDBIP) submitted to Mayor – within 14 days of approved budget.	MFMA 69(3)	Annually	Mncedise Mpontshane	04-May	✓
SDBIP	Performance agreements of Municipal Manager and Executives submitted to Mayor, Public, Council, MEC within 14 days after approval of SDBIP.	MFMA 69(3)(b) 53(3)(b)	Annually	Mncedise Mpontshane	28-Jun	✓
Budget	Certificate and prior approved if capital programme exceeded submitted to Provincial Treasury and Auditor General.	MFMA 31	Annually	Kajal Wiese	As required	✓
Yearly Reporting	Banking details notified before start of financial year to Provincial Treasury and Auditor General	MFMA 9(b) MFMA 86(1)(b) MFMA 82(2)	Annually	Kajal Wiese	July	✓
Budget	Table IDP & Budget timetable	MFMA 21(1)(b)	Annually	Kajal Wiese	31-Aug	
Budget	DC42 BEC (Budget Evaluation Checklist Report)	MFMA	Annually	Kajal Wiese	31-Aug	✓
Annual Financial Statements	Deviations from procurement process notified to Council and noted in annual financial statements	MFMA 114(1) Notice 868 of 2005 Reg 36(2)	Annually	Charles Steyn	31-Aug	
Annual Financial Statements	Submission of annual financial statements within two months of year end to Auditor General for both municipality and all entities.	MFMA 126(1)(a)	Annually	Charles Steyn/Kajal Wiese	31-Aug	
		MFMA 126(2)			30-Sep	✓
Annual Financial Statements	Deviations from procurement process notified to Council and noted in annual financial statements	MFMA 114(1) Notice 868 of 2005 Reg 36(2)	Annually	Charles Steyn	31-Aug	
Yearly Reporting	Report submitted to Council on salaries, wages, allowances and benefits.	MFMA 66	Annually	Kajal Wiese	31-Aug	✓
Annual Financial Statements	Consolidated annual statement submitted to Auditor General within three months after year end.	MFMA 126(1)(b)	Annually	Kajal Wiese	30-Sep	
Annual Financial Statements	Submit to Auditor General, Provincial Treasury and Provincial Local Government copies of Minutes of Council relating to discussion on annual accounts.	MFMA 129(2)	Annually	Charles Steyn	31-Oct	✓
Annual Financial Statements	Audited accounts received from Auditor General within three months after submission.	MFMA 126(3)	Annually	Kajal Wiese	30-Nov	✓
Annual Report	Received annual reports of all entities within six months of year end.	MFMA 127(1)	Annually	Kajal Wiese	31-Dec	✓

	Requirement	Compliance with	Period	Responsible Person	Target Date	TICK
Annual Report	Report received on state of all entities budget performance	MFMA 87(1)		Kajal Wiese	end-December	✓
Budget & Performance	Assess performance of the municipality up to 31 December and submit (section 72) report on the assessment to the Mayor, Provincial Treasury and National Treasury. Consider an adjustment budget if necessary	MFMA 72	Annually	Mncedise Mpontshane	25-Jan	outstanding
Annual Report		MFMA 127(2)	Annually	Mncedise Mpontshane	31-Jan	✓
		MFMA 127(5)		Mncedise Mpontshane		✓
Oversight Report	Oversight report (councils comments on annual report made public within seven days of adoption).	MFMA 129(3)	Annually	Mncedise Mpontshane	07-Feb	
Budget	Adjustments budget submitted to National and Provincial Treasury.	MFMA 28(7)	Annually	Kajal Wiese	25-Feb	
Yearly Reporting	Information statement regarding long term debt submitted to Council and National Treasury 21 days before meeting.	MFMA 46(3)	2023/02/28		31-Mar	

7. MONTHLY FINANCIAL MANAGEMENT REPORT AS AT END AUGUST 2024

(9/1/3/6)

Cluster : Finance

Portfolio : Financial Management

This report emanates from the finance portfolio committee meeting that was held on 19 September 2024

1. PURPOSE

The purpose of the report is to reflect the financial position of the Municipality for the month of August

2. OBJECTIVE

The objective of this report is to assist Council to exercise their oversight function to:

- a) Make rational decisions about the allocation of resources;
- b) Assess the current provision of services, as well as the sustainability of future service delivery;
- c) Assess how officials have discharged their accountability responsibilities;
- d) Ensure transparency in respect of the municipality's financial position and operating results;
- e) Assess the performance of the municipality measured against preset targets and objectives;
- f) Inform Council on how cash and other liquid resources were obtained and utilized;
- g) Assess whether financial resources were administered in accordance with legislative and regulatory requirements; and
- i) Promote comparative information for prior periods and actual results against budgeted or planned results;

3. LEGISLATIVE REQUIREMENTS:

It is important for a municipality to report in order to comply with comprehensive legislative and contractual requirements, regulations, restriction and agreements. Effective financial reporting should therefore not only involve the presentation of bare financial facts but should also make provision for compliance issues, integration and interpretation. This will enable interested parties to readily comprehend the significant aspects of a municipality's financial operations.

This report is compiled as per the requirements of Sections 54 and 71 of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA).

4. BACKGROUND

With reference to section 71 above, *"the accounting officer must by no later than 10 working days after the end of each month submit to National treasury and other spheres of government the August 2024 report of the municipality a statement on the implementation of the budget and the state of the financial affairs of the municipality"*

Financial reports are the primary means of communicating financial information to other interested parties. These reports are made accessible to the Executive for additional management and financial information that helps it carries out its planning, decision- making and control responsibilities, and

therefore has the ability to determine the form and content of such additional information to meet its own needs.

Governance is built around the responsibilities of accountability and oversight requiring a culture of transparency and regular reporting. More detailed financial reporting to the Council will facilitate an environment in which potential or real financial problems are reported in time and in an appropriate manner to allow the council to remedy the situation.

The financial situation of the municipality as at end of AUGUST 2024 is indicated in the different schedules as listed below.

5. EXECUTIVE SUMMARY

Item of Financial Position/ Performance	Actual JULY 2024	Actual August 2024	Trend Analysis
Current Assets			
(Table SC3) Debtors	R 24 311	R 558 101	Increase due to
<u>Cash & cash equivalents:</u>			
Cashbook balance (bank reconciliation) Primary	R 71 014 094	R 58 052 942	Decrease due to operational activities
Cashbook balance (bank reconciliation) Licensing	R 32 327 036	R 30 235 773	
Current Liabilities			
(Table SC4) Creditors	R 186 135 888	R 197 822 200	Increase due to income received from licensing centers.
Cash Flow			
(Table C7) Receipts	R 174 850 915	R 43 759 030	Decrease due to operational activities
Payments	R 97 436 819	R 58 720 569	
Cash flow closing balance	R 108 254 830	R 91 605 105	
Cost Coverage indicator	2.84	2.4	Decrease due to operational activities
(Table C2) Operating Revenue for Month	R 130 320 503	R 8 231 091	Received to date 32,98% % (benchmark 16.67%).
Operating Expenditure for Month	R 32 098 337	R 32 006 209	Spent to date 15% (bench mark 16.67%).
(Table C5) Capital Expenditure	R 77 230	R 78 212	Total Capex budget spent to date is 4.3% (benchmark 16.67%) for the Month.
(Table C6) Total Assets	R 188 091 379	R 171 807 200	Municipality has liquidity problems whereby the current liabilities exceed

Item of Financial Position/ Performance	Actual JULY 2024	Actual August 2024	Trend Analysis
Total Liabilities	R 210 366 829	R 228 333 371	current assets. The municipality is grants dependent and the only source of revenue is minor tariffs charges after equitable share.
Total Net Liabilities	R (22 275 450)	R (56 526 171)	
MFMA Compliance			
Monthly reports	MFMA 71,66	MFMA 71,66	Submit monthly reports on budget implementation and employee costs.
Budget	MFMA 75(1) MFMA 53 MFMA 71 MFMA 66 MFMA 21 (1)(b)	MFMA 71 MFMA 54(1)	Submit monthly report on the budget Review implementation of budget and service delivery and budget implementation plan
Quarterly Reports		MFMA 11 MFMA sec 52	Quarterly Withdrawals Statement

5.1 Table C4 Monthly budget statements August

DC42 Sedibeng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2023/24	Budget Year 2024/25							
		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							-			
Service charges - Water							-			
Service charges - Waste Water Management							-			
Service charges - Waste management							-			
Sale of Goods and Rendering of Services		195	233	233	15	30	39	(8)	-22%	233
Agency services		76 259	74 446	74 446	7 431	7 431	12 408	(4 977)	-40%	74 446
Interest										
Interest earned from Receivables		-	-	-	-	-	-	-		-
Interest from Current and Non Current Assets		5 365	3 915	3 915	476	712	653	59	9%	3 915
Dividends										
Rent on Land										
Rental from Fixed Assets		580	604	604	16	40	101	(61)	-60%	604
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		4 999	4 977	4 977	49	141	830	(689)	-83%	4 977
Non-Exchange Revenue										
Property rates										
Surcharges and Taxes										
Fines, penalties and forfeits										
Licence and permits		220	1 500	1 500	7	22	250	(228)	-91%	1 500
Transfers and subsidies - Operational		322 317	329 936	329 936	237	130 176	54 989	75 186	137%	329 936
Interest										
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets		30	60	60	-	-	10	(10)	-100%	60
Other Gains		-	-	-	-	-	-	-		-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		409 965	415 672	415 672	8 231	138 552	69 279	69 273	100%	415 672
Expenditure By Type										
Employee related costs		312 249	320 292	320 292	25 110	49 246	53 382	(4 137)	-8%	320 292
Remuneration of councillors		14 237	14 794	14 794	1 200	2 365	2 466	(101)	-4%	14 794
Bulk purchases - electricity								-		
Inventory consumed		7 091	3 793	3 793	337	487	632	(145)	-23%	3 793
Debt impairment		-	-	-	-	-	-	-		-
Depreciation and amortisation		8 596	8 504	8 504	-	-	1 417	(1 417)	-100%	8 504
Interest										
Contracted services		36 101	41 530	41 530	2 302	2 362	6 922	(4 560)	-66%	41 530
Transfers and subsidies		8 297	13 136	13 136	36	636	2 189	(1 554)	-71%	13 136
Irrecoverable debts written off		-	-	-	-	-	-	-		-
Operational costs		41 806	35 278	35 278	3 022	9 009	5 880	3 129	53%	35 278
Losses on Disposal of Assets		17	60	60	-	-	10	(10)	-100%	60
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		428 396	437 388	437 388	32 006	64 105	72 899	(8 794)	-12%	437 388
Surplus/(Deficit)		(18 430)	(21 716)	(21 716)	(23 775)	74 447	(3 620)	78 067	(0)	(21 716)
Transfers and subsidies - capital (monetary allocations)										
		133	5 000	5 000	-	-	833	(833)	(0)	5 000
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		(18 298)	(16 716)	(16 716)	(23 775)	74 447	(2 787)	77 234	(0)	(16 716)
Income Tax										
Surplus/(Deficit) after income tax		(18 298)	(16 716)	(16 716)	(23 775)	74 447	(2 787)	77 234	(0)	(16 716)
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		(18 298)	(16 716)	(16 716)	(23 775)	74 447	(2 787)	77 234	(0)	(16 716)
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		(18 298)	(16 716)	(16 716)	(23 775)	74 447	(2 787)	77 234	(0)	(16 716)

Cash flow Analysis for the Month of August

Cash Flow Statement - July 2024 to June 2025													
	ACTUAL						PROJECTED						
	July	August	September	October	November	December	January	February	March	April	May	June	Total
Opening Balance	6 060 696	71 013 596	36 230 513	13 834 924	10 409 878	15 681 876	51 030 162	28 589 820	16 199 521	51 460 231	22 091 596	23 144 332	6 060 696
Cash Inflow	237 210 801	69 862 908	70 698 989	56 319 440	42 453 294	192 492 687	51 380 442	55 262 861	114 622 265	51 731 558	35 733 616	39 171 199	1 016 940 060
RSC Levies	-	-	-	-	-	-	-	-	-	-	-	-	-
Sundries	5 018 402	1 231 923	998 556	1 175 999	4 299 236	1 251 724	699 320	1 003 572	571 239	1 547 504	570 835	4 009 248	22 377 558
Licensing	95 000 000	65 000 000	62 000 000	55 000 000	38 000 000	85 000 000	50 000 000	53 000 000	38 000 000	50 000 000	35 000 000	35 000 000	661 000 000
Transfer from call / investment	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical aid Pensioners income	188 244	129 985	159 633	143 441	154 058	129 763	196 122	150 289	128 003	184 054	162 781	161 951	1 888 324
Subsidies and Grants	137 004 155	3 501 000	7 540 800	-	-	106 111 200	485 000	1 109 000	75 923 023	-	-	-	331 674 178
Less RD Cheques	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Outflow	(172 257 901)	(104 645 991)	(93 094 578)	(59 744 486)	(37 181 296)	(157 144 401)	(73 820 784)	(67 653 160)	(79 361 555)	(81 100 193)	(34 680 880)	(50 417 240)	(1 011 102 465)
Salaries	(26 320 645)	(28 055 359)	(29 961 280)	(28 306 398)	(28 835 909)	(27 696 217)	(27 251 583)	(29 608 835)	(27 610 635)	(27 243 100)	(28 259 498)	(27 950 770)	(337 100 229)
Capital Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Sundries	-	-	-	-	-	-	-	-	-	-	-	-	-
Licensing	(56 321 086)	(34 098 372)	(26 113 604)	(24 707 963)	-	(46 295 081)	(15 555 812)	(21 332 845)	(20 916 605)	(20 213 872)	-	-	(265 555 240)
Other Creditors	(89 616 170)	(42 492 260)	(37 019 694)	(6 730 125)	(8 345 387)	(83 153 103)	(31 013 389)	(16 711 480)	(30 834 315)	(33 643 221)	(6 421 382)	(22 466 470)	(408 446 996)
External Int/Red	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to call	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	71 013 596	36 230 513	13 834 924	10 409 878	15 681 876	51 030 162	28 589 820	16 199 521	51 460 231	22 091 596	23 144 332	11 898 291	11 898 291

5.2 Table SC6, 7(1) and 7(2) Grants received and spent for August

Description	Original Budget	Adjustment Budget	Grants tranche received for the month	Total Grants Received July to date	Total Grants Spent July to date	Actual July 2024	Actual August 2024	Balance	%	Comment
RAMS	2 733 000,00	-	0,00	0,00	188 937,32	91 581,36	97 355,96	2 544 062,68	691%	Interns Stipend
FMG	1 400 000,00	0,00	0,00	1 400 000,00	228 541,88	77 098,63	72 627,55	1 171 458,12	16,32%	Interns Stipend
EPWP	1 222 000,00	0,00	0,00	306 000,00	223 169,60	146 991,00	135 218,80	998 830,40	18,00%	Expenditure incurred for EPWP grants programs managed by SPED
HIV&AIDS	13 171 000,00	0,00	0,00	7 902 600,00	412 663,00	512 274,00	-99 611,44	12 758 337,00	3,10%	Payment of salaries
Energy Services	5 000 000,00	0,00	1 700 000,00	1 700 000,00	0,00	0,00	0,00	5 000 000,00	0%	Expenditure incurred for YDP managed by community services.
Total	23 526 000,00	0,00	1 700 000,00	11 308 600,00	1 053 311,80	827 944,99	205 590,87	22 472 688,20	4,50%	

6. DISCUSSIONS

The discussions below are broadly categorized under items of financial position (balance sheet), items of financial performance (income statement) and cash flow, as well as other information of key importance such as Asset Management and MFMA Compliance.

6.1 Financial Position

c) Net Assets

Reserves

The balance sheet of Council is broadly distinguished into "Assets" (what Council owns) and "Liabilities" (what Council owes) as per Generally Accepted Accounting Principles (GRAP). The difference between assets and liabilities is referred to as the "Net Assets."

The net assets of Council are primarily composed of reserves that Council has built up over the years. The nature of these reserves is that they are ring-fenced for specific use only (non-distributable reserves), as determined by accounting standards. It must be noted that reserves comprise of mostly accounting book-entries and are non-cash transactions. This implies that the reserves on the face of the financial statements do not equate to cash held as investments by Council.

As required by prescribed accounting standards (GRAP 01), only provisions are shown separately on the face of the Statement of Financial Position. All reserves are "ring-fenced" as internal reserves within the Accumulated Surplus. Ring-fenced reserves are as follows:

- Assets fair value reserve
- Government grant reserve (GGR)

These reserves not supported by cash but are only used for book entry purposes for the phasing in of increased depreciation charges as a result of the full implementation of GRAP 17.

According to GRAP standards, the GGR is created when the municipality receives government grants for the acquisition and/or construction of fixed assets. Once the conditions of the capital grant have been met, the funds are recognized as "revenue" (non-cash) on the statement of financial performance. This "revenue" recognized is then in turn transferred out of the Accumulated Surplus to the GGR on the Statement of Net Assets in order to offset the future depreciation of the property, plant and equipment in question. Hence, the reserve is committed solely for this purpose and cannot be utilized for any other purpose. This is referred to as the non-distributable portion of the reserves. Council must note that these are all non-cash entries.

The purpose of these reserves is to promote community equity and facilitate budgetary control by ensuring that sufficient funds (non-cash) are set aside on the accounting books to offset the future depreciation charges (non-cash) that will be incurred over the estimated useful life of the item of property, plant and equipment financed from government grants, public contributions or a (non-cash) surplus arising from the revaluation of property, plant and equipment.

Council must note that these are all non-cash entries performed only for compliance purposes in line with accounting standards prescribed by the Accounting Standards Board (ASB) and enforced by the Office of the Accountant-General.

d) Cash Flow

See Annexures "B", "C1- 4", "E"

Essentially, the cash flow statement is concerned with the flow of physical cash in and cash out of the municipality as we collect monies owed by debtors and pay out monies due to creditors.

Annexure "E" is Council's cash flow statement which indicates the movements on the main bank accounts. The incoming receipts amount to R 43 759 025 outgoing payments were made to the amount of R 58 720 569. Taking into account the opening cashbook balance, this left a favorable closing balance of R 91 605 105 as end of August 2024 period, which shows a decrease margin from last month's closing balance.

Cost coverage indicator.

$$\text{The cost coverage formula} = \frac{(\text{All available cash at the end of the period in the cashbook}) + (\text{investments at hand less Provisions})}{\text{Monthly fixed operating expenditure}}$$

$$\begin{aligned} \text{The cost coverage formula} &= \frac{R (88\,285\,715 + R0)}{R\,36\,444\,366} \\ &= \underline{2.4 \text{ TIMES}} \end{aligned}$$

The cost coverage of the municipality indicates 2.4 monthly fixed operating expenditure and shows that the cash flow of the municipality is favorable. Our cash formula on hand must cover at least until end of November 2024 as the next equitable share allocation is in December 2024. The formula does not take into consideration the contingent assets and liabilities whereby if taken into consideration this will indicate that the municipality is having a liquidity problem as identified in the AG reports of 2021/2022 as well as 2022/23.

Grant allocations and expenditure:

Annexure "F" represents the Grants allocation and their expenditure.

Equitable Share

First tranche of Equitable Share for 2024/25 amounting to R 129 059 000.

Financial Management Grant (FMG):

An amount of R 1 400 000 received in month of August 2023, Expenditure incurred of R 72 628 in August FMG Interns were involved in the following activities during the month as part of their training rotation plan:

Three interns in Supply Chain Management

The interns have attended CPMD training as part of the internship agreement with National Treasury.

Rural Roads Assets Management Grant

An amount of R 2 733 000 gazetted 2024-25, Expenditure incurred amount to R 97 356 for August.

HIV/Aids

An amount of R 13 171 000 gazette for 2024-25, an amount of R 7 902 600 was received in July and, Expenditure incurred for the month of August amount to R 99 611.

Extended Public Works Projects

An amount of R 1 222 000 is gazetted, expenditure incurred for month of August is R 135 219.

Energy Efficient Grant

An amount of R 5 000 000 was gazette for 2024-25, first tranche received in August amount to R 1 700 000.

Grant payments to Local Municipalities:

No grant payments were scheduled for local municipalities for the month of August.

6.2 Financial Performance

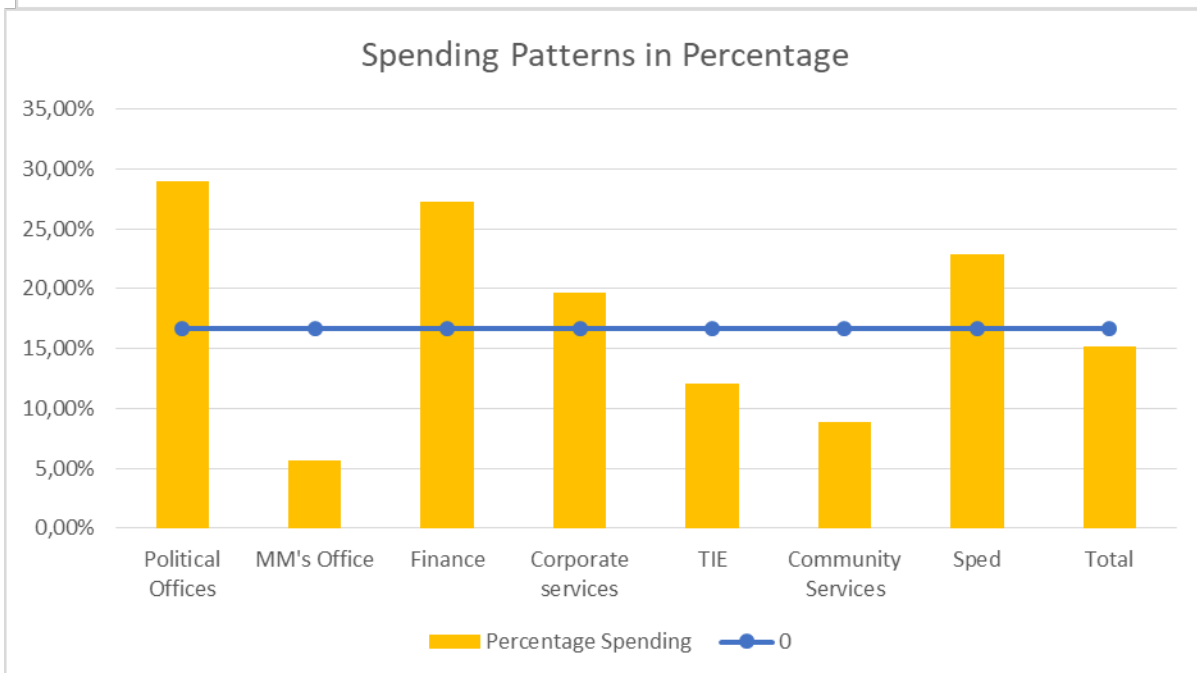
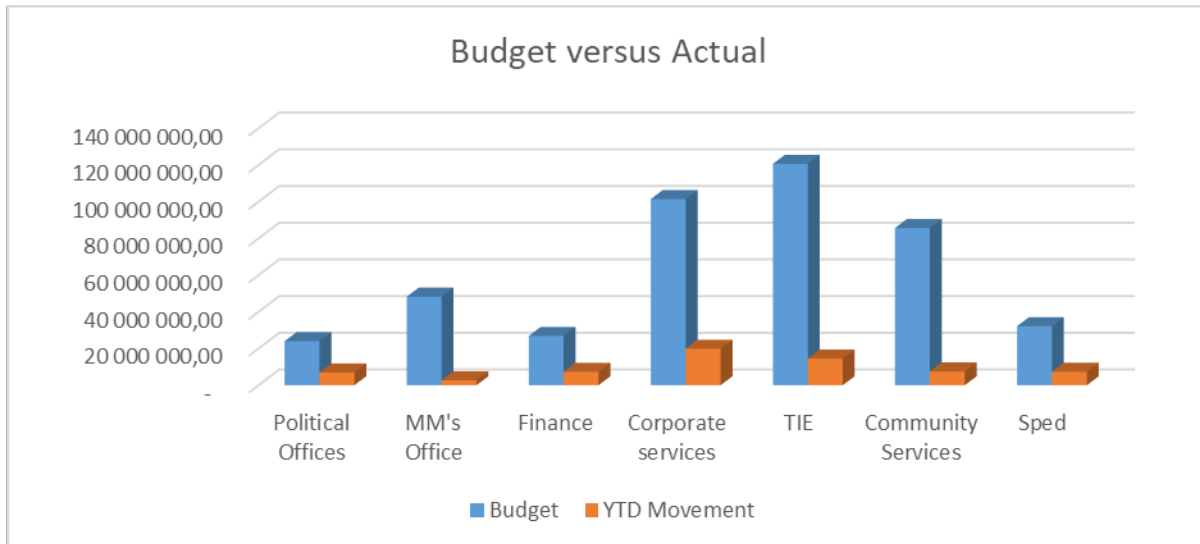
Financial performance shows the results of operations for the given period. It lists sources of revenue and expenses. The statement measures the performance of Council for a given period of time. Surplus or deficit is used to measure financial performance and directly related to the measurement of revenue and expenditure for the reporting period.

Operating expenses are incurred in the course of conducting normal Council business. They are classified by function such as employee related costs, general expenses, finance charges and contributions to provisions.

“See Annexures G, H & I”

Actual revenue and expenditure

Annexure “G” represents the organizational Operating Revenue and Expenditure which illustrates that R 43 759 025 was generated in revenue R 58 720 569 in expenditure.



a) Pro-Rata Operating Comparative Analysis (Budget vs. Actual by Cluster)

The Total Performance of the municipality as per our findings and reviews are as follows:

As the month of August 2024 signals the 2nd month of the first quarter 2024/25 financial year, spending trends ought to be around 16.67% "Other Income" consists of income items such as, profit on sale of assets; skills levy income, tender income and commission on salaries.

The monthly performance indicates that total operating expenditure rate is standing at 15.12% and revenue is at 32.98% of the pro rata budget.

Intervention measures:

The Supply Chain Management Unit together with Financial Management both serve on the Contract Management Committee chaired by Corporate Services: Legal & Support to monitor contractual obligations and performance management of service providers.

Cost Containment measures are still in place to cut down on expenditure. Refer to the graphs above;

b) Pro-Rata Capital Comparative Analysis (Budget vs. Actual)

“Annexure H” represents the Capital expenditure and Revenue sources. Expenditure incurred for the month of August is R 78 212.

An amount of R 1 820 000 was funded internally for various moveable assets such as furniture & equipment, computers & printers and vehicles, and R 120 000 was funded from the Financial Management Grant for the procurement of office Equipment.

(Annexure I) The spending analysis on own fixed assets as at end of August 2024 is shown in the table below:-

Furniture and Equipment	400 000	0	3 000	167 413	3 000	397 000	0,75%
Computer Equipment and Networks	300 000	0	75 212	0	75 212	224 788	25,07%
New Ict Equipment	1 000 000	0	0	0	0	1 000 000	0,00%
Machinery and Equipment	0	0	0	0	0	0	0,00%
Capital Expenditure On New Ict Equipment Finance	120 000	0	0	0	0	120 000	0,00%
RRAMS ICT Equipment	0	0	0,00	0	0	0	0,00%
RRAMS Vehicles	0	0	0	0	0	0	0,00%
Total	1 820 000	0	78 212	167 413	78 212	1 741 788	4,30%

The indication for capital projects is that all expenses is funded internally for the various components of assets as per the above table.

Asset Management

A scheduled year-end asset stock takes place and during this stock-take the physical condition and location of assets were verified in order to ensure completeness and accuracy of the fixed asset register. Currently, asset verification stock take takes place twice a year.

No other matters of material significance to report for Asset Management.

6.3 Monitoring of Compliance

Policy Governance of Municipal Finance and MFMA Compliance

As part of improving Sedibeng District Municipality's MFMA reporting module, the project plan report indicates our compliance to the requirements as outlined per the MFMA for the financial year 1 July 2023 to June 2024, which has been divided into timeframes of reporting: Annually, Quarterly, Monthly & Ad-hoc.

Finance is pleased to inform the Committee that our obligations in terms of compiling the annual financial statements within the prescripts of GRAP and the requirements of the MFMA have been duly met on time.

It must be noted that the individual Clusters are responsible to action projects and programed based on their planned OPEX and CAPEX budgets as aligned with their overall SDBIPs. Finance facilitates and supports the Clusters in an overview capacity to ensure that required targets are met. However, without full cooperation of the Clusters in providing substantiation to the comparative reports, Finance cannot completely assure the quality and accuracy of the information disclosed in this report.

See Attached Annexures reflecting detail information:

"A"	–	Debtors Age Analysis
"B"	–	Investment Schedule
"C"	–	Bank Reconciliations
"D"	–	Creditors Age Analysis
"E"	–	Cash Flow Statement
"F"	–	Grants Allocation and Expenditure
"G"	–	Operating Revenue and Expenditure
"H"	–	Capital Expenditure and Revenue Source
"I"	–	Capital Projects Progress
"J"	–	MFMA Compliance

7. RECOMMENDATIONS:

It is therefore recommended:

1. THAT the financial management report as at the end August 2024 as per attach as annexure "A" to "J" be considered as prescribed by section 54(1) of the Local Government: Municipal Finance Management Act, 56 of 2003.

Description	NT Code	Budget Year 2024/25									Total	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					
R thousands														
Debtors Age Analysis By Income Source	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	558	-	-	-	-	-	2 092	2 650	2 092	-	2 092	
Total By Income Source	2000	-	558	-	-	-	-	-	2 092	2 650	2 092	-	2 092	
2023/24 - totals only	0	25856	0	0	0	0	0	0	2092154	2 118	2 092	0	2092154	
Debtors Age Analysis By Customer Group	0	-	-	-	-	-	-	-	-	-	-	-	-	
Organs of State	2200	-	558	-	-	-	-	-	2 092	2 650	2 092	-	2 092	
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-	
Households	2400	-	-	-	-	-	-	-	-	-	-	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	-	558	-	-	-	-	-	2 092	2 650	2 092	-	2 092	
Notes	0	-	-	-	-	-	-	-	-	-	-	-	-	
Material increases in value of debtors' categories compared to previous month to be explained	0	0	0	0	0	0	0	0	0	0	0	0	0	
Bad debts = amounts actually written off in the month	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total by Income Source must reconcile with Total by Customer Group	0	0	-	-	-	-	-	-	-	-	-	-	0	

DC42 Sedibeng - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02

Annexure " B "

R thousands	Investments by maturity Name of institution & investment ID	Ref	Period of	Type of	Capital	Variable or	Interest Rate ³	Commission	Commission	Expiry date of investment	Opening balance
			Investment Yrs/Months	Investment	Guarantee (Yes/ No)	Fixed interest rate	Paid (Rands)	Recipient			
	Municipality										
	Municipality sub-total										-
	Entities sub-total										-

References

2. List investments in expiry date order

3. If 'variable' is selected in column F, input interest rate range

4. Withdrawals to be entered as negative

BANK RECONCILIATION AS AT
31 August 2024
MAIN BANK ACCOUNT NEDBANK : 1152944835
33215020590000000000

ANNEXURE "C1"

CASH BOOK BALANCE AS AT	01-Aug-24	R	64 781 239,00
PLUS : INCOME RECEIVED		R	5 965 793,00
TRANSFER TO STANDARD			0,00
SUNDRY INCOME			5 460,00
AMBULANCE FEES			0,00
INVESTMENTS WITHDRAWN			0,00
DIRECT BANKINGS FROM PROVINCIAL & NATIONAL			5 319 000,00
OTHER DIRECT BANKINGS			105 111,42
TRANSFERS RECEIVED			0,00
INTEREST			507 221,26
LICENCE INCOME			29 180,00
LESS: RD CHEQUES / (re deposit)			0,00
MINUS : EXPENDITURE		R	-20 005 970,16
ORDER PAYMENTS			0,00
SUNDRY PAYMENTS			0,00
SALARIES			0,00
YEAR END PAYMENT			0,00
TRANSFER MADE			-20 000 000,00
BANK ERROR			0,00
DIRECT BANK EXPENDITURE			-5 970,16
CASHBOOK BALANCE AS AT	31-Aug-24	R	50 741 241,11
PLUS: CHEQUE/ELE CANCELLED FOLLOWING MONTH			0,00
PLUS: Receipts updated following month			-4 140,00
LESS: CHEQUE/ELE CANCELLED PREVIOUS MONTH			0,00
REVISED BALANCE AFTER CANCELATIONS		R	50 737 101,11
PLUS: OUTSTANDING CHEQUES		R	-
MINUS: OUTSTANDING DEPOSITS		R	-
PLUS: UNCASHED ELE'S		R	-
PLUS: Receipts updated following month		R	-
PLUS : DEPOSITS NOT YET LINKED		R	2 010,29
BANK BALANCE AS AT	31-Aug-24	R	50 739 111,40

**BANKRECONCILIATION AS AT
31-Aug-24**

ANNEXURE "C3"

**LICENSING BANK ACCOUNT NEDBANK: 1152944606
GL VOTE NUMBER - 3321502069000000000**

CASH BOOK BALANCE AS AT	1/Aug/2024	R	11 581 194,00
PLUS : INCOME RECEIVED		R	1 608 792,20
LICENCE INCOME	1 608 792,20		
FUEL SALES	0,00		
LESS: RD CHEQUES	0,00		
MINUS : EXPENDITURE		R	-875,00
TRANSFER TO MAIN ACCOUNT	0,00		
BANK CHARGES	0,00		
BANK CHARGES CARD FEES	-875,00		
BANK COST	0,00		
CASHBOOK BALANCE AS AT	31/Aug/2024	R	13 189 111,39
PLUS: OUTSTANDING CHEQUES		R	-
MINUS: OUTSTANDING DEPOSITS		R	-
PLUS : DEPOSITS NOT YET LINKED		R	-
BANK BALANCE AS AT	31/Aug/2024	R	13 189 111,39

DC42 Sediberg - Table C7 Monthly Budget Statement - Cash Flow - M02 August

ANNEXURE "E"

Description	Ref	2022/24	Budget Year	0	0	0	0	0	0	0	0
		Audited Outcome	2024/25 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1	0	0	0	0	0	0	0	0	0	0
CASH FLOW FROM OPERATING ACTIVITIES	0	0	0	0	0	0	0	0	0	0	0
Receipts	0										
Property rates	0	-	-	-	-	-	-	-	-	-	-
Service charges	0	-	-	-	-	-	-	-	-	-	-
Other revenue	0	409 204	436 430	436 430	39 664	77 317	72 738	4 579	6%	436 430	
Transfers and Subsidies - Operational	0	321 001	329 936	329 936	3 619	140 581	54 989	85 591	156%	329 936	
Transfers and Subsidies - Capital	0	-	5 000	5 000	-	-	833	(833)	-100%	5 000	
Interest	0	5 102	3 915	3 915	476	712	653	59	9%	3 915	
Dividends	0	-	-	-	-	-	-	-	-	-	
Payments	0	-	-	-	-	-	-	-	0%	-	
Suppliers and employees	0	(737 510)	(776 515)	(776 515)	(58 721)	(156 157)	(129 419)	26 738	-21%	(776 515)	
Interest	0	-	-	-	-	-	-	-	-	-	
Transfers and Subsidies	0	-	-	-	-	-	-	-	-	-	
NET CASH FROM/(USED) OPERATING ACTIVITIES	0	(2 203)	(1 233)	(1 233)	(14 962)	62 453	(206)	(62 658)	30478%	(1 233)	
CASH FLOWS FROM INVESTING ACTIVITIES	0										
Receipts	0										
Proceeds on disposal of PPE	0	30	60	60	-	-	10	(10)	-100%	60	
0	0	-	-	-	-	-	-	-	0%	-	
Decrease (increase) in non-current receivables	0	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments	0	-	-	-	-	-	-	-	-	-	
Payments	0										
Capital assets	0	(1 020)	(6 820)	(6 820)	(78)	(78)	(1 137)	(1 058)	93%	(6 820)	
NET CASH FROM/(USED) INVESTING ACTIVITIES	0	(989)	(6 760)	(6 760)	(78)	(78)	(1 127)	(1 048)	93%	(6 760)	
CASH FLOWS FROM FINANCING ACTIVITIES	0										
Receipts	0										
Short term loans	0	-	-	-	-	-	-	-	-	-	
Borrowing long term/refinancing	0	-	-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits	0	(15)	-	-	-	-	-	-	-	-	
Payments	0								0%		
Repayment of borrowing	0	-	-	-	-	-	-	-	-	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES	0	(15)	-	-	-	-	-	-	-	-	
NET INCREASE/ (DECREASE) IN CASH HELD	0	(3 208)	(7 993)	(7 993)	(15 040)	62 374	(1 332)	-	-	(7 993)	
Cash/cash equivalents at beginning	0	(32 783)	(27 431)	(27 431)	106 645	29 231	(27 431)	-	-	29 231	
Cash/cash equivalents at month/year end	0	(35 991)	(35 425)	(35 425)	91 605	91 605	(28 763)	-	-	21 237	

Description	Ref	2023/24	Budget Year 2024/25	0	0	0	0	0	0	0
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	0	0	0	0	0	0	0	0	0	0
RECEIPTS:	1,2	-	-	-	-	-	-	-	0,0%	-
	0	-	-	-	-	-	-	-	0,0%	-
<u>Operating Transfers and Grants</u>	0	-	-	-	-	-	-	-	0,0%	-
National Government:	0	307 830	315 097	315 097	305	129 700	52 516	77 183	147,0%	315 097
Equitable Share	0	303 338	309 742	309 742	-	129 059	51 624	77 435	150,0%	309 742
Expanded Public Works Programme Integrated Grant	0	1 057	1 222	1 222	135	223	204	20	9,6%	1 222
Local Government Financial Management Grant	0	1 347	1 400	1 400	73	229	233	(5)	-2,1%	1 400
Municipal Disaster Relief Grant	0	-	-	-	-	-	-	-	-	-
Public Transport Network Grant	0	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	3	2 089	2 733	2 733	97	189	456	(267)	-58,5%	2 733
Water Services Infrastructure Grant	0	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	0	-	-	-	-	-	-	-	-	-
Provincial Government:	0	14 487	14 839	14 839	(68)	476	2 473	(1 997)	-80,7%	14 839
Capacity Building and Other Grants	0	14 487	14 839	14 839	(68)	476	2 473	(1 997)	-80,7%	14 839
Other transfers and grants [insert description]	0	-	-	-	-	-	-	-	-	-
District Municipality:	0	-	-	-	-	-	-	-	-	-
[insert description]	0	-	-	-	-	-	-	-	-	-
Other grant providers:	0	-	-	-	-	-	-	-	-	-
National Youth Development Agency	0	-	-	-	-	-	-	-	-	-
Parent Municipality	0	-	-	-	-	-	-	-	-	-
Public Service Commission	0	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	322 317	329 936	329 936	237	130 176	54 989	75 186	136,7%	329 936
	0	-	-	-	-	-	-	-	0,0%	-
Capital Transfers and Grants	0	-	-	-	-	-	-	-	0,0%	-
<u>National Government:</u>	0	133	5 000	5 000	-	-	833	(833)	-100,0%	5 000
Energy Efficiency and Demand Side Management Grant	0	-	5 000	5 000	-	-	833	(833)	-100,0%	5 000
Municipal Disaster Relief Grant	0	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	0	133	-	-	-	-	-	-	-	-
Provincial Government:	0	-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants	0	-	-	-	-	-	-	-	-	-
District Municipality:	0	-	-	-	-	-	-	-	-	-
[insert description]	0	-	-	-	-	-	-	-	-	-
Other grant providers:	0	-	-	-	-	-	-	-	-	-
[insert description]	0	-	-	-	-	-	-	-	-	-
Parent Municipality	0	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	133	5 000	5 000	-	-	833	(833)	-100,0%	5 000
	0	-	-	-	-	-	-	-	0,0%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	322 450	334 936	334 936	237	130 176	55 823	74 353	133,2%	334 936

References 0

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	0	0	0	0	0	0	0	0	0	0
Revenue	0	0	0	0	0	0	0	0	0	0
Exchange Revenue	0	0	0	0	0	0	0	0	0	0
Service charges - Electricity	0	-	-	-	-	-	-	-	-	-
Service charges - Water	0	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Manag	0	-	-	-	-	-	-	-	-	-
Service charges - Waste management	0	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Servi	0	195	233	233	15	30	39	(8)	-22%	233
Agency services	0	76 259	74 446	74 446	7 431	7 431	12 408	(4 977)	-40%	74 446
Interest	0	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	0	-	-	-	-	-	-	-	-	-
Interest from Current and Non Current	0	5 365	3 915	3 915	476	712	653	59	9%	3 915
Dividends	0	-	-	-	-	-	-	-	-	-
Rent on Land	0	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	0	580	604	604	16	40	101	(61)	-60%	604
Licence and permits	0	-	-	-	-	-	-	-	-	-
Operational Revenue	0	4 999	4 977	4 977	49	141	830	(689)	-83%	4 977
Non-Exchange Revenue	0	-	-	-	-	-	-	-	-	-
Property rates	0	-	-	-	-	-	-	-	-	-
Surcharges and Taxes	0	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	0	-	-	-	-	-	-	-	-	-
Licence and permits	0	220	1 500	1 500	7	22	250	(228)	-91%	1 500
Transfers and subsidies - Operational	0	322 317	329 936	329 936	237	130 176	54 989	75 186	137%	329 936
Interest	0	-	-	-	-	-	-	-	-	-
Fuel Levy	0	-	-	-	-	-	-	-	-	-
Operational Revenue	0	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	0	30	60	60	-	-	10	(10)	-100%	60
Other Gains	0	-	-	-	-	-	-	-	-	-
Discontinued Operations	0	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	0	409 965	415 672	415 672	8 231	138 552	69 279	69 273	100%	415 672
Expenditure By Type	0	-	-	-	-	-	-	-	-	-
Employee related costs	0	312 249	320 292	320 292	25 110	49 246	53 382	(4 137)	-8%	320 292
Remuneration of councillors	0	14 237	14 794	14 794	1 200	2 365	2 466	(101)	-4%	14 794
Bulk purchases - electricity	0	-	-	-	-	-	-	-	-	-
Inventory consumed	0	7 091	3 793	3 793	337	487	632	(145)	-23%	3 793
Debt impairment	0	-	-	-	-	-	-	-	-	-
Depreciation and amortisation	0	8 596	8 504	8 504	-	-	1 417	(1 417)	-100%	8 504
Interest	0	-	-	-	-	-	-	-	-	-
Contracted services	0	36 101	41 530	41 530	2 302	2 362	6 922	(4 560)	-66%	41 530
Transfers and subsidies	0	8 297	13 136	13 136	36	636	2 189	(1 554)	-71%	13 136
Irrecoverable debts written off	0	-	-	-	-	-	-	-	-	-
Operational costs	0	41 806	35 278	35 278	3 022	9 009	5 880	3 129	53%	35 278
Losses on Disposal of Assets	0	17	60	60	-	-	10	(10)	-100%	60
Other Losses	0	-	-	-	-	-	-	-	-	-
Total Expenditure	0	428 396	437 388	437 388	32 006	64 105	72 899	(8 794)	-12%	437 388
Surplus/(Deficit)	0	(18 430)	(21 716)	(21 716)	(23 775)	74 447	(3 620)	78 067	(0)	(21 716)
Transfers and subsidies - capital (monetary allocations)	0	133	5 000	5 000	-	-	833	(833)	(0)	5 000
Transfers and subsidies - capital (in-kind)	0	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	0	(18 298)	(16 716)	(16 716)	(23 775)	74 447	(2 787)	77 234	(0)	(16 716)
Income Tax	0	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	0	(18 298)	(16 716)	(16 716)	(23 775)	74 447	(2 787)	77 234	(0)	(16 716)
Share of Surplus/Deficit attributable to	0	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to	0	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	0	(18 298)	(16 716)	(16 716)	(23 775)	74 447	(2 787)	77 234	(0)	(16 716)
Share of Surplus/Deficit attributable to	0	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary trans	0	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	0	(18 298)	(16 716)	(16 716)	(23 775)	74 447	(2 787)	77 234	(0)	(16 716)

Vote Description	Ref	2023/24	Budget Year	0	0	0	0	0	0	0
		Audited Outcome	2024/25 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	0	0	0	0	0	0	0	0	0
Multi-Year expenditure appropriation	2	-	-	-	-	-	-	-	-	-
Vote 01 - Executive & Council	0	-	-	-	-	-	-	-	-	-
Vote 02 - Budget & Treasury Office	0	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services	0	-	5 000	5 000	-	-	833	(833)	-100%	5 000
Vote 04 - Roads And Transport	0	-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Development	0	-	-	-	-	-	-	-	-	-
Vote 06 - Community & Social Services	0	-	-	-	-	-	-	-	-	-
Vote 07 -	0	-	-	-	-	-	-	-	-	-
Vote 08 -	0	-	-	-	-	-	-	-	-	-
Vote 09 -	0	-	-	-	-	-	-	-	-	-
Vote 10 -	0	-	-	-	-	-	-	-	-	-
Vote 11 -	0	-	-	-	-	-	-	-	-	-
Vote 12 -	0	-	-	-	-	-	-	-	-	-
Vote 13 -	0	-	-	-	-	-	-	-	-	-
Vote 14 -	0	-	-	-	-	-	-	-	-	-
Vote 15 - Other	0	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	5 000	5 000	-	-	833	(833)	-100%	5 000
Single Year expenditure appropriation	2	-	-	-	-	-	-	-	0%	-
Vote 01 - Executive & Council	0	-	-	-	-	-	-	-	-	-
Vote 02 - Budget & Treasury Office	0	105	120	120	-	-	20	(20)	-100%	120
Vote 03 - Corporate Services	0	778	1 700	1 700	78	78	283	(205)	-72%	1 700
Vote 04 - Roads And Transport	0	137	-	-	-	-	-	-	-	-
Vote 05 - Planning & Development	0	-	-	-	-	-	-	-	-	-
Vote 06 - Community & Social Services	0	-	-	-	-	-	-	-	-	-
Vote 07 -	0	-	-	-	-	-	-	-	-	-
Vote 08 -	0	-	-	-	-	-	-	-	-	-
Vote 09 -	0	-	-	-	-	-	-	-	-	-
Vote 10 -	0	-	-	-	-	-	-	-	-	-
Vote 11 -	0	-	-	-	-	-	-	-	-	-
Vote 12 -	0	-	-	-	-	-	-	-	-	-
Vote 13 -	0	-	-	-	-	-	-	-	-	-
Vote 14 -	0	-	-	-	-	-	-	-	-	-
Vote 15 - Other	0	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	1 020	1 820	1 820	78	78	303	(225)	-74%	1 820
Total Capital Expenditure	0	1 020	6 820	6 820	78	78	1 137	(1 058)	-93%	6 820
Capital Expenditure - Functional Classification	0	-	-	-	-	-	-	-	0%	-
<i>Governance and administration</i>	0	883	6 820	6 820	78	78	1 137	(1 058)	-93%	6 820
Executive and council	0	-	-	-	-	-	-	-	-	-
Finance and administration	0	883	6 820	6 820	78	78	1 137	(1 058)	-93%	6 820
Internal audit	0	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	0	-	-	-	-	-	-	-	-	-
Community and social services	0	-	-	-	-	-	-	-	-	-
Sport and recreation	0	-	-	-	-	-	-	-	-	-
Public safety	0	-	-	-	-	-	-	-	-	-
Housing	0	-	-	-	-	-	-	-	-	-
Health	0	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	0	137	-	-	-	-	-	-	-	-
Planning and development	0	137	-	-	-	-	-	-	-	-
Road transport	0	-	-	-	-	-	-	-	-	-
Environmental protection	0	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	0	-	-	-	-	-	-	-	-	-
Energy sources	0	-	-	-	-	-	-	-	-	-
Water management	0	-	-	-	-	-	-	-	-	-
Waste water management	0	-	-	-	-	-	-	-	-	-
Waste management	0	-	-	-	-	-	-	-	-	-
<i>Other</i>	0	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	1 020	6 820	6 820	78	78	1 137	(1 058)	-93%	6 820
Funded by:	0	-	-	-	-	-	-	-	0%	-
National Government	0	242	5 120	5 120	-	-	853	(853)	-100%	5 120
Provincial Government	0	-	-	-	-	-	-	-	-	-
District Municipality	0	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	0	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	0	242	5 120	5 120	-	-	853	(853)	-100%	5 120
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds	0	778	1 700	1 700	78	78	283	(205)	-72%	1 700
Total Capital Funding	0	1 020	6 820	6 820	78	78	1 137	(1 058)	-93%	6 820

PROJECT PLAN – CONFIRMATION OF COMPLIANCE

ANNEXURE "11"

No	Requirement	Compliance with	Period	Responsible Person	Target Date	TICK
1	Irregular expenditure constituting theft, fraud/criminal offence reported to police.	MFMA 32(6)	2023/2024	CFO/MM	Adhoc	✓
2	Impending shortfalls in budget revenue and over spending of budget reported to Council.	MFMA 70(1)	2023/2024	Charles Steyn	Adhoc	✓
3	Report on any failure to adopt/implement budget related policies to Mayor, National and Provincial Treasury.	MFMA 73	2023/2024	Charles Steyn	Adhoc	✓
4	Placing of documents on website within five days of tabling in Council.	MFMA 75	2023/2024	Kajal Wieser Charles Steyn	Adhoc	✓
5	Reasons received from delegated officials when at least three quotations not received.	Notice 868 of 2005	2023/2024	Kajal Wiese	Adhoc	✓
			2023/2024			✓
6	Any contributions in respect of inducements, rewards, gifts and favours to officers	Notice 868 of 2005	2023/2024	All Finance Staff		✓
7	Notification of intention to investigate public – private partnerships given to National Treasury prior to start of study.	0	2023/2024	CFO	Adhoc	✓
		Reg 2(1)(a)	2023/2024			✓
8	Report received from all entities of any irregular, fruitless or wasteful expenditure – submitted to Mayor, Auditor General.	MFMA 102(1)	2023/2024	Kajal Wiese	Adhoc	✓

PROJECT PLAN – CONFIRMATION OF COMPLIANCE
Quarterly

ANNEXURE "I3"

No	Requirement	Compliance with	Period	Responsible Person	Target Date	SEPT	DEC	MAR	JUNE
1	Consolidated report submitted of all withdrawals for quarter, to Provincial Treasury and Auditor General.	MFMA 11(4)	Quarterly	Charles Steyn/ Masechaba Magalefa	30 days after month-end (3 rd Month)	✓	✓	✓	
2	Changes in banking details notified to National and Provincial Treasury and Auditor General.	MFMA 8(5) 9(a) 86(1)(a)	Quarterly	Lerato Tabane & Charles Steyn	Quarterly	✓	✓	✓	
3	Overdrawn position of any bank accounts reported to National Treasury.	MFMA 70(2)	Quarterly	Lerato Tabane & Charles Steyn	Quarterly	✓	✓	✓	
4	Quarterly report to Council on implementation of Supply Chain Policy.	Notice 868 of 2005 Reg 6(3)	Quarterly	Charles Steyn	Quarterly	✓	✓	✓	
5	Reasons for any deviations from any recommended tender submitted to National and Provincial Treasury and Auditor General.	MFMA 114(1) Notice 868 of 2005 Reg 29(7)		Charles Steyn	Quarterly	✓	✓	✓	
6	DC42_BM (External Debt Created, Repaid or Redeemed)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓	✓	✓	
7	DC42_ME (Municipal Entity Quarterly Return)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓	✓	✓	
7	DC42_LTC (Long Term Contracts Quarterly Return - > R1mil <u>AND</u> > 5yr)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓	✓	✓	
8	DC42_MFM1 (Quartely MFMA Implementation and Monitoring Checklist-Implementation Priorities)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓	✓	✓	
9	Quarterly Financial Early Warning Report	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓	✓	✓	
10	Conduct a monthly performance review with staff.	Policy and Procedures	Quarterly	Charles Steyn CFO	Quarterly	✓	✓	✓	

	Requirement	Compliance with	Period	Responsible Person	Target Date	TICK
Budget	Budget has been tabled and is ready for making public - DRAFT BUDGET	MFMA 22	Annually	Kajal Wiese	90 days before financial year end	✓
	- FINAL BUDGET		Annually	Kajal Wiese	30 days before financial year end	✓
Budget	Annual budget in both electronic and printed format submitted after tabling in Council to Public, National and Provincial Treasury.	MFMA 22(a) and (b)	Annually	Kajal Wiese	31-May	✓
Budget	Approved budget submitted to National and Provincial Treasury.	MFMA 24(3)	Annually	Kajal Wiese	30-Jun	✓
SDBIP	Draft service delivery and budget implementation plan (SDBIP) submitted to Mayor – within 14 days of approved budget.	MFMA 69(3)	Annually	Mncedise Mpontshane	04-May	✓
SDBIP	Performance agreements of Municipal Manager and Executives submitted to Mayor, Public, Council, MEC within 14 days after approval of SDBIP.	MFMA 69(3)(b) 53(3)(b)	Annually	Mncedise Mpontshane	28-Jun	✓
Budget	Certificate and prior approved if capital programme exceeded submitted to Provincial Treasury and Auditor General.	MFMA 31	Annually	Kajal Wiese	As required	✓
Yearly Reporting	Banking details notified before start of financial year to Provincial Treasury and Auditor General	MFMA 9(b) MFMA 86(1)(b) MFMA 82(2)	Annually	Kajal Wiese	July	✓
Budget	Table IDP & Budget timetable	MFMA 21(1)(b)	Annually	Kajal Wiese	31-Aug	
Budget	DC42 BEC (Budget Evaluation Checklist Report)	MFMA	Annually	Kajal Wiese	31-Aug	✓
Annual Financial Statements	Deviations from procurement process notified to Council and noted in annual financial statements	MFMA 114(1) Notice 868 of 2005 Reg 36(2)	Annually	Charles Steyn	31-Aug	
Annual Financial Statements	Submission of annual financial statements within two months of year end to Auditor General for both municipality and all entities.	MFMA 126(1)(a) MFMA 126(2)	Annually	Charles Steyn/Kajal Wiese	31-Aug 30-Sep	✓
Annual Financial Statements	Deviations from procurement process notified to Council and noted in annual financial statements	MFMA 114(1) Notice 868 of 2005 Reg 36(2)	Annually	Charles Steyn	31-Aug	
Yearly Reporting	Report submitted to Council on salaries, wages, allowances and benefits.	MFMA 66	Annually	Kajal Wiese	31-Aug	✓
Annual Financial Statements	Consolidated annual statement submitted to Auditor General within three months after year end.	MFMA 126(1)(b)	Annually	Kajal Wiese	30-Sep	
Annual Financial Statements	Submit to Auditor General, Provincial Treasury and Provincial Local Government copies of Minutes of Council relating to discussion on annual accounts.	MFMA 129(2)	Annually	Charles Steyn	31-Oct	✓
Annual Financial Statements	Audited accounts received from Auditor General within three months after submission.	MFMA 126(3)	Annually	Kajal Wiese	30-Nov	✓
Annual Report	Received annual reports of all entities within six months of year end.	MFMA 127(1)	Annually	Kajal Wiese	31-Dec	✓
Annual Report	Report received on state of all entities budget performance	MFMA 87(1)		Kajal Wiese	end-December	✓
Budget & Performance	Assess performance of the municipality up to 31 December and submit (section 72) report on the assessment to the Mayor, Provincial Treasury and National Treasury. Consider an adjustment budget if necessary	MFMA 72	Annually	Mncedise Mpontshane	25-Jan	outstanding
Annual Report		MFMA 127(2) MFMA 127(5)	Annually	Mncedise Mpontshane Mncedise Mpontshane	31-Jan	✓ ✓
Oversight Report	Oversight report (councils comments on annual report made public within seven days of adoption).	MFMA 129(3)	Annually	Mncedise Mpontshane	07-Feb	
Budget	Adjustments budget submitted to National and Provincial Treasury.	MFMA 28(7)	Annually	Kajal Wiese	25-Feb	
Yearly Reporting	Information statement regarding long term debt submitted to Council and National Treasury 21 days before meeting.	MFMA 46(3)	2023/02/28		31-Mar	

1. MONTHLY FINANCIAL MANAGEMENT REPORT AS AT END SEPTEMBER 2024

(9/1/3/6)

Cluster : Finance
Portfolio : Financial Management

1. PURPOSE

The purpose of the report is to reflect the financial position of the Municipality for the month of September.

2. OBJECTIVE

The objective of this report is to assist Council to exercise their oversight function to:

- a) Make rational decisions about the allocation of resources;
- b) Assess the current provision of services, as well as the sustainability of future service delivery;
- c) Assess how officials have discharged their accountability responsibilities;
- d) Ensure transparency in respect of the municipality's financial position and operating results;
- e) Assess the performance of the municipality measured against preset targets and objectives;
- f) Inform Council on how cash and other liquid resources were obtained and utilized;
- g) Assess whether financial resources were administered in accordance with legislative and regulatory requirements; and
- h) Promote comparative information for prior periods and actual results against budgeted or planned results;

3. LEGISLATIVE REQUIREMENTS:

It is important for a municipality to report in order to comply with comprehensive legislative and contractual requirements, regulations, restriction and agreements. Effective financial reporting should therefore not only involve the presentation of bare financial facts but should also make provision for compliance issues, integration and interpretation. This will enable interested parties to readily comprehend the significant aspects of a municipality's financial operations.

This report is compiled as per the requirements of Sections 54 and 71 of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA).

4. BACKGROUND

With reference to section 71 above, *"the accounting officer must by no later than 10 working days after the end of each month submit to National treasury and other spheres of government the September 2024 report of the municipality a statement on the implementation of the budget and the state of the financial affairs of the municipality"*

Financial reports are the primary means of communicating financial information to other interested parties. These reports are made accessible to the Executive for additional management and financial information that helps it carries out its planning, decision- making and control responsibilities, and therefore has the ability to determine the form and content of such additional information to meet its own needs.

Governance is built around the responsibilities of accountability and oversight requiring a culture of transparency and regular reporting. More detailed financial reporting to the Council will facilitate an environment in which potential or real financial problems are reported in time and in an appropriate manner to allow the council to remedy the situation.

The financial situation of the municipality as at end of September 2024 is indicated in the different schedules as listed below.

5. EXECUTIVE SUMMARY

Item of Financial Position/ Performance	Actual August 2024	Actual September 2024	Trend Analysis
Current Assets			
(Table SC3) Debtors	R 558 101	R 545 642	Decrease due to Prince Modau arrangement as settlement agreement signed.
Cash & cash equivalents:			
Cashbook balance (bank reconciliation) Primary	R 58 052 942	R 37 300 105	Decrease due to operational activities
Cashbook balance (bank reconciliation) Licensing	R 30 235 773	R 23 589 519	
Current Liabilities			
(Table SC4)Creditors	R 197 822 200	R 172 374 655	Decrease due to income received from licensing centers.
Cash Flow			
(Table C7) Receipts	R 43 759 030	R 35 971 822	Decrease due to operational activities
Payments	R 58 720 569	R 63 358 830	
Cash flow closing balance	R 91 605 105	R 64 027 474,09	
Cost Coverage indicator	2.4	1.6	Decrease due to operational activities
(Table C2) Operating Revenue for Month	R 8 231 091	R 11 053 110	Received to date 36%(benchmark 25%).
Operating Expenditure for Month	R 32 006 209	R 35 094 208	Spent to date 23% (bench mark 25%).
(Table C5) Capital Expenditure	R 78 212	R 190 624	Total Capex budget spent to date is 15% (benchmark 25%) for the Month.
(Table C6) Total Assets	R 171 807 200	R 144 598 358	Municipality has liquidity problems whereby the current liabilities exceed

Item of Financial Position/ Performance	Actual August 2024	Actual September 2024	Trend Analysis
Total Liabilities	R 228 333 371	R 225 165 626	current assets. The municipality is grants dependent and the only source of revenue is minor tariffs charges after equitable share.
Total Net Liabilities	R (56 526 171)	R (80 567 268)	
MFMA Compliance			
Monthly reports	MFMA 71,66	MFMA 71,66	Submit monthly reports on budget implementation and employee costs.
Budget	MFMA 75(1) MFMA 53 MFMA 71 MFMA 66 MFMA 21 (1)(b)	MFMA 71 MFMA 54(1)	Submit monthly report on the budget Review implementation of budget and service delivery and budget implementation plan
Quarterly Reports		MFMA 11 MFMA sec 52	Quarterly Withdrawals Statement

5.1 Table C4 Monthly budget statements September

DC42 Sedibeng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		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								-		
Service charges - Water								-		
Service charges - Waste Water Management								-		
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		195	233	233	17	47	58	(11)	-19%	233
Agency services		76 259	74 446	74 446	7 637	15 068	18 612	(3 544)	-19%	74 446
Interest								-		
Interest earned from Receivables		-	-	-	-	-	-	-		-
Interest from Current and Non Current Assets		5 365	3 915	3 915	710	1 422	979	443	45%	3 915
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		580	604	604	18	58	151	(93)	-62%	604
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		4 999	4 977	4 977	57	197	1 244	(1 047)	-84%	4 977
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes								-		
Fines, penalties and forfeits								-		
Licence and permits		220	1 500	1 500	-	22	375	(353)	-94%	1 500
Transfers and subsidies - Operational		322 317	329 936	329 936	2 615	132 791	82 484	50 307	61%	329 936
Interest								-		
Fuel Levy								-		
Operational Revenue								-		
Gains on disposal of Assets		30	60	60	-	-	15	(15)	-100%	60
Other Gains		-	-	-	-	-	-	-		-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		409 965	415 672	415 672	11 053	149 605	103 918	45 687	44%	415 672
Expenditure By Type										
Employee related costs		312 249	320 292	320 292	27 441	76 687	80 074	(3 386)	-4%	320 292
Remuneration of councillors		14 237	14 794	14 794	1 181	3 546	3 699	(152)	-4%	14 794
Bulk purchases - electricity								-		
Inventory consumed		7 091	3 793	3 796	471	959	949	10	1%	3 796
Debt impairment		-	-	-	-	-	-	-		-
Depreciation and amortisation		8 596	8 504	8 504	-	-	2 126	(2 126)	-100%	8 504
Interest								-		
Contracted services		36 101	41 530	41 237	1 302	3 664	10 353	(6 690)	-65%	41 237
Transfers and subsidies		8 297	13 136	13 136	2 334	2 970	3 284	(314)	-10%	13 136
Irrecoverable debts written off		-	-	-	-	-	-	-		-
Operational costs		41 806	35 278	35 275	2 365	11 373	8 819	2 554	29%	35 275
Losses on Disposal of Assets		17	60	60	-	-	15	(15)	-100%	60
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		428 396	437 388	437 094	35 094	99 199	109 319	(10 120)	-9%	437 094
Surplus/(Deficit)		(18 430)	(21 716)	(21 422)	(24 041)	50 406	(5 401)	55 807	(0)	(21 422)
Transfers and subsidies - capital (monetary allocations)										
		133	5 000	5 000	-	-	1 250	(1 250)	(0)	5 000
Transfers and subsidies - capital (in-kind)										
		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		(18 298)	(16 716)	(16 422)	(24 041)	50 406	(4 151)	54 557	(0)	(16 422)
Income Tax										
Surplus/(Deficit) after income tax		(18 298)	(16 716)	(16 422)	(24 041)	50 406	(4 151)	54 557	(0)	(16 422)
Share of Surplus/Deficit attributable to Joint Venture										
								-		
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		(18 298)	(16 716)	(16 422)	(24 041)	50 406	(4 151)	54 557	(0)	(16 422)
Share of Surplus/Deficit attributable to Associate										
								-		
Intercompany/Parent subsidiary transactions										
								-		
Surplus/ (Deficit) for the year		(18 298)	(16 716)	(16 422)	(24 041)	50 406	(4 151)	54 557	(0)	(16 422)

Cash flow Analysis for the Month of September

	ACTUAL						PROJECTED						Total
	July	August	September	October	November	December	January	February	March	April	May	June	
Opening Balance	6 060 696	71 013 596	58 054 951	37 300 105	33 875 059	39 147 057	74 495 343	52 055 001	39 664 702	74 925 412	45 556 777	46 609 513	6 060 696
Cash Inflow	237 210 801	66 983 291	67 587 042	56 319 440	42 453 294	192 492 687	51 380 442	55 262 861	114 622 265	51 731 558	35 733 616	39 171 199	1 010 948 496
RSC Levies	-	-	-	-	-	-	-	-	-	-	-	-	-
Sundries	5 018 402	1 793 492	1 400 465	1 175 999	4 299 236	1 251 724	699 320	1 003 572	571 239	1 547 504	570 835	4 009 248	23 341 036
Licensing	95 000 000	60 000 000	66 000 000	55 000 000	38 000 000	85 000 000	50 000 000	53 000 000	38 000 000	50 000 000	35 000 000	35 000 000	660 000 000
Transfer from call / investment	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical aid Pensioners income	188 244	176 799	186 577	143 441	154 058	129 763	196 122	150 289	128 003	184 054	162 781	161 951	1 962 082
Subsidies and Grants	137 004 155	5 013 000	-	-	-	106 111 200	485 000	1 109 000	75 923 023	-	-	-	325 645 378
Less RD Cheques	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Outflow	(172 257 901)	(79 941 936)	(88 341 888)	(59 744 486)	(37 181 296)	(157 144 401)	(73 820 784)	(67 653 160)	(79 361 555)	(81 100 193)	(34 680 880)	(50 417 240)	(981 645 720)
Salaries	(26 320 645)	(28 195 419)	(30 375 025)	(28 306 398)	(28 835 909)	(27 696 217)	(27 251 583)	(29 608 835)	(27 610 635)	(27 243 100)	(28 259 498)	(27 950 770)	(337 654 034)
Capital Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
Sundries	-	-	-	-	-	-	-	-	-	-	-	-	-
Licensing	(56 321 086)	(24 957 176)	(26 860 779)	(24 707 963)	-	(46 295 081)	(15 555 812)	(21 332 845)	(20 916 605)	(20 213 872)	-	-	(257 161 219)
Other Creditors	(89 616 170)	(26 789 341)	(31 106 084)	(6 730 125)	(8 345 387)	(83 153 103)	(31 013 389)	(16 711 480)	(30 834 315)	(33 643 221)	(6 421 382)	(22 466 470)	(386 830 467)
External Int/Red	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to call	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	71 013 596	58 054 951	37 300 105	33 875 059	39 147 057	74 495 343	52 055 001	39 664 702	74 925 412	45 556 777	46 609 513	35 363 472	35 363 472

5.2 Table SC6, 7(1) and 7(2) Grants received and spent for September

Description	Original Budget	Adjustment Budget	Grants tranche received for the month	Total Grants Received July to date	Total Grants Spent July to date	Actual August 2024	Actual September 2024	Balance	%	Comment
RAMS	2 733 000,00	-	1 913 000,00	1 913 000,00	310 557,14	97 355,96	121 619,82	2 422 442,86	11,36%	Interns Stipend
FMG	1 400 000,00	0,00	0,00	1 400 000,00	313 121,92	72 627,55	124 184,60	1 086 878,08	22,37%	Interns Stipend
EPWP	1 222 000,00	0,00		306 000,00	330 620,12	135 218,80	141 682,80	891 379,88	27,06%	Expenditure incurred for EPWP grants programs managed by SPED
HIV&AIDS	13 171 000,00	0,00	0,00	7 902 600,00	2 604 720,00	-99 611,44	2 192 057,44	10 566 280,00	19,78%	Payment of salaries
Energy Services	5 000 000,00	0,00	0,00	1 700 000,00	188 937,32	0,00	0,00	4 811 062,68	4%	Expenditure incurred for YDP managed by community services.
Total	23 526 000,00	0,00	1 913 000,00	13 221 600,00	3 747 956,50	229 854,73	2 579 544,66	19 778 043,50	4,50%	

6. DISCUSSIONS

The discussions below are broadly categorized under items of financial position (balance sheet), items of financial performance (income statement) and cash flow, as well as other information of key importance such as Asset Management and MFMA Compliance.

6.1 Financial Position

The balance sheet of Council is broadly distinguished into “Assets” (what Council owns) and “Liabilities” (what Council owes) as per Generally Accepted Accounting Principles (GRAP). The difference between assets and liabilities is referred to as the “Net Assets.”

The net assets of Council are primarily composed of reserves that Council has built up over the years. The nature of these reserves can be either ring-fenced for specific use only (non-distributable reserves), or redistributable for other use as determined by Council. It must be noted that these reserves are non-cash items and Council’s cash held as investments do not match these reserves.

a) Current Assets

Debtors Management and Credit Control Status for the month ending September.

The debtor’s book balance of the municipality as attached in annexure A is R 2 637 796 less bad debts impairment R 2 092 154 resulting to R 545 642.

0-30 days	31-60	61-90	91-120	121-150	151-180	181-1 Yr	Over 1 Yr	Total
0	0	545 642	0	0	0	0	2 092 154	2 637 796

Bank reconciliation

Annexure “C1 – 4” indicate the bank reconciliations prepared for the month of September 2024 with the detail on the bank and cash book balances.

The Council has four operating bank accounts Account to be reported on namely:

- Two Primary bank accounts, and
- Two License bank accounts

Council is operating four primary accounts. Bank reconciliations are completed monthly within three working days after the end of each month.

The cashbook shows a favorable balance of R 60 889 624 as at end of September.

The remaining cash balance must meet operational requirements till end of November 2024, until receipt of the next equitable Share tranche due in December 2024.

b) Current Liabilities

Creditors’ Age Analysis

Annexure “D” represents the creditors’ age analysis of R 172 374 655 payable to the creditors in September 2024. An amount of R 124 557 502 is due payable to the licensing authority.

DC42 Sedibeng - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2024/25								Total	Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300										-	
VAT (output less input)	0400	806	-	-	-	-	-	-	-	806	844	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700										-	
Auditor General	0800										-	
Other	0900	24 842	-	-	-	-	-	-	146 727	171 569	186 134	
Medical Aid deductions											-	
Total By Customer Type	1000	25 647	-	-	-	-	-	-	146 727	172 375	186 978	

c) Net Assets
Reserves

The balance sheet of Council is broadly distinguished into "Assets" (what Council owns) and "Liabilities" (what Council owes) as per Generally Accepted Accounting Principles (GRAP). The difference between assets and liabilities is referred to as the "Net Assets."

The net assets of Council are primarily composed of reserves that Council has built up over the years. The nature of these reserves is that they are ring-fenced for specific use only (non-distributable reserves), as determined by accounting standards. It must be noted that reserves comprise of mostly accounting book-entries and are non-cash transactions. This implies that the reserves on the face of the financial statements do not equate to cash held as investments by Council.

As required by prescribed accounting standards (GRAP 01), only provisions are shown separately on the face of the Statement of Financial Position. All reserves are "ring-fenced" as internal reserves within the Accumulated Surplus. Ring-fenced reserves are as follows:

- Assets fair value reserve
- Government grant reserve (GGR)

These reserves not supported by cash but are only used for book entry purposes for the phasing in of increased depreciation charges as a result of the full implementation of GRAP 17.

According to GRAP standards, the GGR is created when the municipality receives government grants for the acquisition and/or construction of fixed assets. Once the conditions of the capital grant have been met, the funds are recognized as "revenue" (non-cash) on the statement of financial performance. This "revenue" recognized is then in turn transferred out of the Accumulated Surplus to the GGR on the Statement of Net Assets in order to offset the future depreciation of the property, plant and equipment in question. Hence, the reserve is committed solely for this purpose and cannot be utilized for any other purpose. This is referred to as the non-distributable portion of the reserves. Council must note that these are all non-cash entries.

The purpose of these reserves is to promote community equity and facilitate budgetary control by ensuring that sufficient funds (non-cash) are set aside on the accounting books to offset the future depreciation charges (non-cash) that will be incurred over the estimated useful life of the item of property, plant and equipment financed from government grants, public contributions or a (non-cash) surplus arising from the revaluation of property, plant and equipment.

Council must note that these are all non-cash entries performed only for compliance purposes in line with accounting standards prescribed by the Accounting Standards Board (ASB) and enforced by the Office of the Accountant-General.

d) Cash Flow

See Annexures "B," "C1- 4," "E"

Essentially, the cash flow statement is concerned with the flow of physical cash in and cash out of the municipality as we collect monies owed by debtors and pay out monies due to creditors.

Annexure "E" is Council's cash flow statement which indicates the movements on the main bank accounts. The incoming receipts amount to R 35 971 822 outgoing payments were made to the amount of R 63 358 830. Taking into account the opening cashbook balance, this left a favorable closing balance of R 64 027 474 as end of September 2024 period, which shows a decrease margin from last month's closing balance.

Cost coverage indicator.

The cost coverage formula =
$$\frac{\text{(All available cash at the end of the period in the cashbook) + \text{(investments at hand less Provisions)}}{\text{}}$$

 Monthly fixed operating expenditure

$$\text{The cost coverage formula} = \frac{R (60\,889\,624 + R0)}{R\,36\,444\,366}$$

$$= 1.6 \text{ TIMES}$$

The cost coverage of the municipality indicates 1.6 monthly fixed operating expenditure and shows that the cash flow of the municipality is favorable. Our cash formula on hand must cover at least until end of November 2024 as the next equitable share allocation is in December 2024. The formula does not take into consideration the contingent assets and liabilities whereby if taken into consideration this will indicate that the municipality is having a liquidity problem as identified in the AG reports of 2021/2022 as well as 2022/23.

Grant allocations and expenditure:

Annexure "F" represents the Grants allocation and their expenditure.

Financial Management Grant (FMG):

An amount of R 1 400 000 received in month of August 2023, Expenditure incurred of R 124 184, 60 in September, FMG Interns were involved in the following activities during the month as part of their training rotation plan:

Three interns in Supply Chain Management

The interns have attended CPMD training as part of the internship agreement with National Treasury.

Rural Roads Assets Management Grant

An amount of R 2 733 000 gazetted 2024-25, Expenditure incurred amount to R 121 620 for September.

HIV/Aids

An amount of R 13 171 000 gazette for 2024-25, an amount of R 7 902 600 was received in July and, Expenditure incurred for the month of September amount to R 2 192 057.

Extended Public Works Projects

An amount of R 1 222 000 is gazetted, expenditure incurred for month of September is R 141 683.

Energy Efficient Grant

An amount of R 5 000 000 was gazette for 2024-25, first tranche received in August amount to R 1 700 000, No expenditure incurred for September.

Grant payments to Local Municipalities:

No grant payments were scheduled for local municipalities for the month of September.

6.2 Financial Performance

Financial performance shows the results of operations for the given period. It lists sources of revenue and expenses. The statement measures the performance of Council for a given period of time.

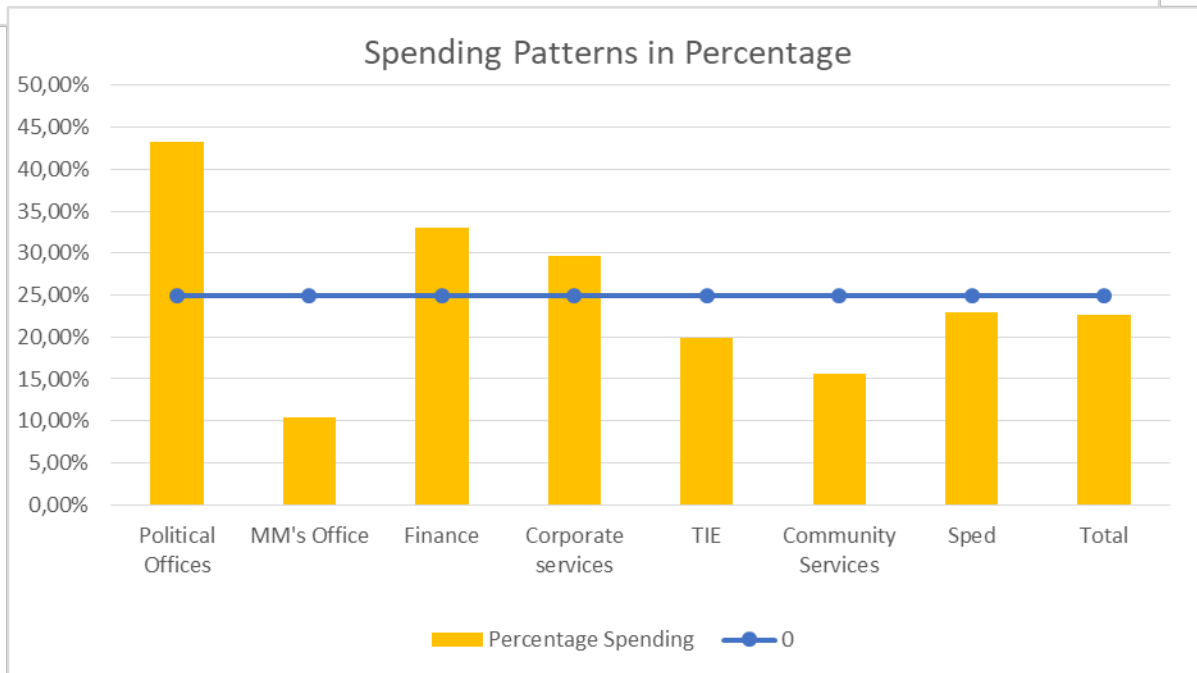
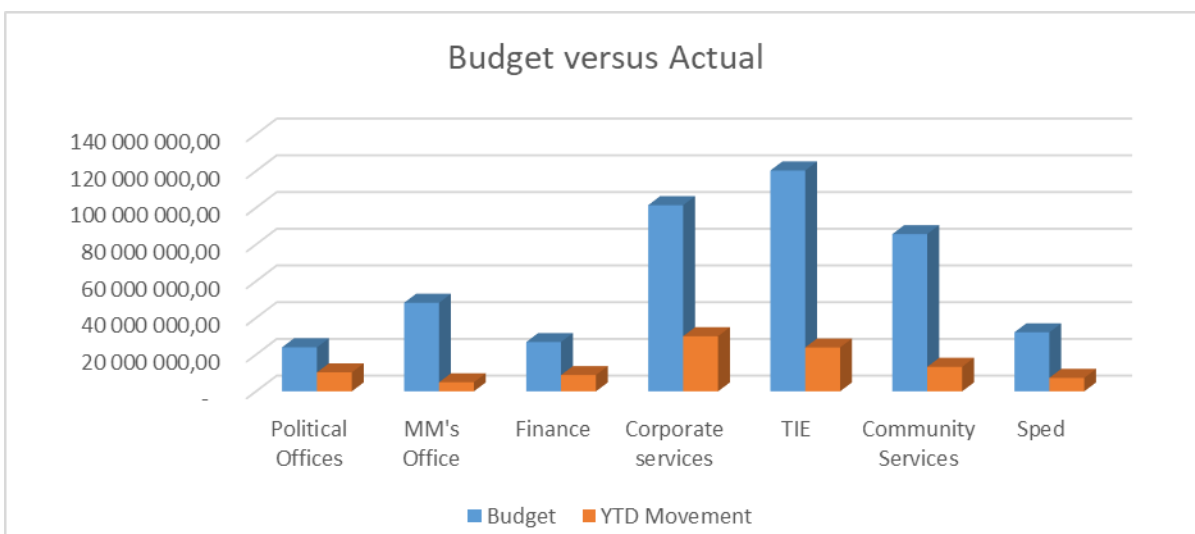
Surplus or deficit is used to measure financial performance and directly related to the measurement of revenue and expenditure for the reporting period.

Operating expenses are incurred in the course of conducting normal Council business. They are classified by function such as employee related costs, general expenses, finance charges and contributions to provisions.

“See Annexures G, H & I”

Actual revenue and expenditure

Annexure “G” represents the organizational Operating Revenue and Expenditure which illustrates that R 43 759 025 was generated in revenue R 58 720 569 in expenditure.



a) Pro-Rata Operating Comparative Analysis (Budget vs. Actual by Cluster)

The Total Performance of the municipality as per our findings and reviews are as follows:

As the month of September 2024 signals the 3rd month of the first quarter 2024/25 financial year, spending trends ought to be around 25% "Other Income" consists of income items such as, profit on sale of assets; skills levy income, tender income and commission on salaries.

The monthly performance indicates that total operating expenditure rate is standing at 23% and revenue is at 36% of the pro rata budget.

Intervention, measures:

The Supply Chain Management Unit together with Financial Management both serve on the Contract Management Committee chaired by Corporate Services: Legal & Support to monitor contractual obligations and performance management of service providers.

Cost Containment measures are still in place to cut down on expenditure. Refer to the graphs above;

b) Pro-Rata Capital Comparative Analysis (Budget vs. Actual)

"Annexure H" represents the Capital expenditure and Revenue sources. Expenditure incurred for the month of September is R 190 624.

An amount of R 1 820 000 was funded internally for various moveable assets such as furniture & equipment, computers & printers and vehicles, and R 120 000 was funded from the Financial Management Grant for the procurement of office Equipment.

(Annexure I) The spending analysis on own fixed assets as at end of September 2024 is shown in the table below:-

Description	Budget	Adjustment Budget	Monthly Spending	Commitment	Movements	Balance	percentage
Furniture and Equipment	400 000	0	178 913	17 500	181 913	218 087	45,48%
Computer Equipment and Networks	300 000	0	0	0	75 212	224 788	25,07%
New Ict Equipment	1 000 000	0	11 711	205 499	11 711	988 289	1,17%
Machinery and Equipment	0	0	0	0	0	0	0,00%
Capital Expenditure On New Ict Equipment Finance	120 000	0	0	0	0	120 000	0,00%
RRAMS ICT Equipment	0	0	0,00	0	0	0	0,00%
RRAMS Vehicles	0	0	0	0	0	0	0,00%
Total	1 820 000	0	190 624	222 999	268 836	1 551 164	14,77%

The indication for capital projects is that all expenses is funded internally for the various components of assets as per the above table.

Asset Management

A scheduled year-end asset stock takes place and during this stock-take the physical condition and location of assets were verified in order to ensure completeness and accuracy of the fixed asset register. Currently, asset verification stock take takes place twice a year.

No other matters of material significance to report for Asset Management.

6.3 Monitoring of Compliance*Policy Governance of Municipal Finance and MFMA Compliance*

As part of improving Sedibeng District Municipality's MFMA reporting module, the project plan report indicates our compliance to the requirements as outlined per the MFMA for the financial year 1 July 2023 to June 2024, which has been divided into timeframes of reporting: Annually, Quarterly, Monthly & Ad-hoc.

Finance is pleased to inform the Committee that our obligations in terms of compiling the annual financial statements within the prescripts of GRAP and the requirements of the MFMA have been duly met on time.

It must be noted that the individual Clusters are responsible to action projects and programed based on their planned OPEX and CAPEX budgets as aligned with their overall SDBIPs. Finance facilitates and supports the Clusters in an overview capacity to ensure that required targets are met. However, without full cooperation of the Clusters in providing substantiation to the comparative reports, Finance cannot completely assure the quality and accuracy of the information disclosed in this report.

See Attached Annexures reflecting detail information:

"A"	–	Debtors Age Analysis
"B"	–	Investment Schedule
"C"	–	Bank Reconciliations
"D"	–	Creditors Age Analysis
"E"	–	Cash Flow Statement
"F"	–	Grants Allocation and Expenditure
"G"	–	Operating Revenue and Expenditure
"H"	–	Capital Expenditure and Revenue Source
"I"	–	Capital Projects Progress
"J"	–	MFMA Compliance

RECOMMENDED:

It is therefore recommended:

THAT the financial management report as at the end September 2024 as per attach as annexure "A" to "J" be considered as prescribed by section 54(1) of the Local Government: Municipal Finance Management Act, 56 of 2003.

Description	NT Code	Budget Year 2024/25									Total	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					
R thousands														
Debtors Age Analysis By Income Source	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	546	-	-	-	-	2 092	2 638	2 092	-	2 092	
Total By Income Source	2000	-	-	546	-	-	-	-	2 092	2 638	2 092	-	2 092	
2023/24 - totals only	0	6 738	0	0	0	0	0	0	2092154	2 099	2 092	0	2092154	
Debtors Age Analysis By Customer Group	0	-	-	-	-	-	-	-	-	-	-	-	-	
Organs of State	2200	-	-	546	-	-	-	-	2 092	2 638	2 092	-	2 092	
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-	
Households	2400	-	-	-	-	-	-	-	-	-	-	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	-	-	546	-	-	-	-	2 092	2 638	2 092	-	2 092	
Notes	0	-	-	-	-	-	-	-	-	-	-	-	-	
Material increases in value of debtors' categories compared to previous month to be explained	0	0	0	0	0	0	0	0	0	0	0	0	0	
Bad debts = amounts actually written off in the month	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total by Income Source must reconcile with Total by Customer Group	0	0	-	-	-	-	-	-	-	-	-	-	0	

DC42 Sedibeng - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03

Annexure " B "

R thousands	Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance
			Yrs/Months		(Yes/ No)						
	Municipality										
	Municipality sub-total										-
	Entities sub-total										-

References

2. List investments in expiry date order

3. If 'variable' is selected in column F, input interest rate range

4. Withdrawals to be entered as negative

BANK RECONCILIATION AS AT
30 September 2024
MAIN BANK ACCOUNT NEDBANK : 1152944835
33215020590000000000

ANNEXURE "C1"

CASH BOOK BALANCE AS AT	01-Sep-24	R	50 741 241,11
PLUS : INCOME RECEIVED		R	507 990,50
TRANSFER TO STANDARD	0,00		
SUNDRY INCOME	1 540,00		
AMBULANCE FEES	0,00		
INVESTMENTS WITHDRAWN	0,00		
DIRECT BANKINGS FROM PROVINCIAL & NATIONAL	0,00		
OTHER DIRECT BANKINGS	15 442,62		
TRANSFERS RECEIVED	0,00		
INTEREST	487 119,88		
LICENCE INCOME	3 888,00		
LESS: RD CHEQUES / (re deposit)	0,00		
MINUS : EXPENDITURE		R	-25 005 737,86
ORDER PAYMENTS	0,00		
SUNDRY PAYMENTS	0,00		
SALARIES	0,00		
YEAR END PAYMENT	0,00		
TRANSFER MADE	-25 000 000,00		
BANK ERROR	0,00		
DIRECT BANK EXPENDITURE	-5 737,86		
CASHBOOK BALANCE AS AT	30-Sep-24	R	26 243 498,75
PLUS: CHEQUE/ELE CANCELLED FOLLOWING MONTH	0,00		
PLUS: Receipts updated following month	-24,66		
LESS: CHEQUE/ELE CANCELLED PREVIOUS MONTH	0,00		
REVISED BALANCE AFTER CANCELATIONS		R	26 243 493,75
PLUS: OUTSTANDING CHEQUES		R	-
MINUS: OUTSTANDING DEPOSITS		R	-
PLUS: UNCASHED ELE'S		R	-
PLUS: Receipts updated following month		R	-
PLUS : DEPOSITS NOT YET LINKED		R	-
BANK BALANCE AS AT	30-Sep-24	R	26 243 469,09

**BANKRECONCILIATION AS AT
30-Sep-24**

ANNEXURE "C3"

LICENSING BANK ACCOUNT NEDBANK: 1152944606
GL VOTE NUMBER - 3321502069000000000

CASH BOOK BALANCE AS AT	1/Sep/2024	R	13 189 111,39
PLUS : INCOME RECEIVED		R	1 972 399,80
LICENCE INCOME	1 972 399,80		
FUEL SALES	0,00		
LESS: RD CHEQUES	0,00		
MINUS : EXPENDITURE		R	-875,00
TRANSFER TO MAIN ACCOUNT	0,00		
BANK CHARGES	0,00		
BANK CHARGES CARD FEES	-875,00		
BANK COST	0,00		
CASHBOOK BALANCE AS AT	30/Sep/2024	R	15 160 636,19
PLUS: OUTSTANDING CHEQUES		R	-
MINUS: OUTSTANDING DEPOSITS		R	-
PLUS : DEPOSITS NOT YET LINKED		R	-
BANK BALANCE AS AT	30/Sep/2024	R	15 160 636,19

BANKRECONCILIATION AS AT 30/Sep/2024

ANNEXURE 'A'

**LICENSING BANK ACCOUNT STANDARD: 21781494
GL VOTE NUMBER - 33215020190000000000**

CASH BOOK BALANCE AS AT	1/Sep/2024	R	17 046 661,15
PLUS : INCOME RECEIVED		R	32 795 561,35
LICENCE INCOME	32 622 696,61		
INTEREST	172 864,74		
LESS: RD CHEQUES	0,00		
MINUS : EXPENDITURE		R	-40 355 062,93
TRANSFER TO MAIN ACCOUNT	-41 000 000,00		
BANK CHARGES	-37 530,96		
BANK CHARGES CARD FEES	-375 808,33		
BANK COST	0,00		
CASHBOOK BALANCE AS AT	30/Sep/2024	R	8 428 883,21
PLUS: OUTSTANDING CHEQUES		R	-
MINUS: OUTSTANDING DEPOSITS		R	-
PLUS : DEPOSITS NOT YET LINKED		R	-
BANK BALANCE AS AT	30/Sep/2024	R	8 428 883,21

'C4"

DC42 Sediberg - Table C7 Monthly Budget Statement - Cash Flow - M03 September

ANNEXURE "E"

Description	Ref	Budget Year 2024/25									
		2022/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1	0	0	0	0	0	0	0	0	0	0
CASH FLOW FROM OPERATING ACTIVITIES	0	0	0	0	0	0	0	0	0	0	0
Receipts	0										
Property rates	0	-	-	-	-	-	-	-	-	-	-
Service charges	0	-	-	-	-	-	-	-	-	-	-
Other revenue	0	409 204	436 430	436 430	33 562	110 679	109 108	1 772	2%	436 430	
Transfers and Subsidies - Operational	0	321 001	329 936	329 936	-	140 581	82 484	58 097	70%	329 936	
Transfers and Subsidies - Capital	0	-	5 000	5 000	1 700	1 700	1 250	450	36%	5 000	
Interest	0	5 102	3 915	3 915	710	1 422	979	443	45%	3 915	
Dividends	0	-	-	-	-	-	-	-	-	-	
Payments	0	-	-	-	-	-	-	-	0%	-	
Suppliers and employees	0	(737 510)	(776 515)	(776 515)	(63 359)	(219 516)	(194 129)	25 387	-13%	(776 515)	
Interest	0	-	-	-	-	-	-	-	-	-	
Transfers and Subsidies	0	-	-	-	-	-	-	-	-	-	
NET CASH FROM/(USED) OPERATING ACTIVITIES	0	(2 203)	(1 233)	(1 233)	(27 387)	35 066	(308)	(35 374)	11471%	(1 233)	
CASH FLOWS FROM INVESTING ACTIVITIES	0	-	-	-	-	-	-	-	-	-	
Receipts	0	-	-	-	-	-	-	-	-	-	
Proceeds on disposal of PPE	0	30	60	60	-	-	15	(15)	-100%	60	
Decrease (increase) in non-current receivables	0	-	-	-	-	-	-	-	0%	-	
Decrease (increase) in non-current investments	0	-	-	-	-	-	-	-	-	-	
Payments	0	-	-	-	-	-	-	-	-	-	
Capital assets	0	(1 020)	(6 820)	(6 820)	(191)	(269)	(1 705)	(1 436)	84%	(6 820)	
NET CASH FROM/(USED) INVESTING ACTIVITIES	0	(989)	(6 760)	(6 760)	(191)	(269)	(1 690)	(1 421)	84%	(6 760)	
CASH FLOWS FROM FINANCING ACTIVITIES	0	-	-	-	-	-	-	-	-	-	
Receipts	0	-	-	-	-	-	-	-	-	-	
Short term loans	0	-	-	-	-	-	-	-	-	-	
Borrowing long term/refinancing	0	-	-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits	0	(15)	-	-	-	-	-	-	-	-	
Payments	0	-	-	-	-	-	-	-	0%	-	
Repayment of borrowing	0	-	-	-	-	-	-	-	-	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES	0	(15)	-	-	-	-	-	-	-	-	
NET INCREASE/ (DECREASE) IN CASH HELD	0	(3 208)	(7 993)	(7 993)	(27 578)	34 797	(1 998)	-	-	(7 993)	
Cash/cash equivalents at beginning	0	(32 783)	(27 431)	(27 431)	91 605	29 231	(27 431)	-	-	29 231	
Cash/cash equivalents at month/year end	0	(35 991)	(35 425)	(35 425)	64 027	64 027	(29 430)	-	-	21 237	

Description	Ref	2023/24	Budget Year 2024/25	0	0	0	0	0	0	0
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	0	0	0	0	0	0	0	0	0	0
RECEIPTS:	1,2	-	-	-	-	-	-	-	0,0%	-
	0	-	-	-	-	-	-	-	0,0%	-
<u>Operating Transfers and Grants</u>	0	-	-	-	-	-	-	-	0,0%	-
National Government:	0	307 830	315 097	315 097	387	130 087	78 774	51 313	65,1%	315 097
Equitable Share	0	303 338	309 742	309 742	-	129 059	77 435	51 624	66,7%	309 742
Expanded Public Works Programme Integrated Grant	0	1 057	1 222	1 222	142	365	305	59	19,4%	1 222
Local Government Financial Management Grant	0	1 347	1 400	1 400	124	353	350	3	0,8%	1 400
Municipal Disaster Relief Grant	0	-	-	-	-	-	-	-	-	-
Public Transport Network Grant	0	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	3	2 089	2 733	2 733	122	311	683	(373)	-54,5%	2 733
Water Services Infrastructure Grant	0	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	0	-	-	-	-	-	-	-	-	-
Provincial Government:	0	14 487	14 839	14 839	2 227	2 703	3 710	(1 006)	-27,1%	14 839
Capacity Building and Other Grants	0	14 487	14 839	14 839	2 227	2 703	3 710	(1 006)	-27,1%	14 839
Other transfers and grants [insert description]	0	-	-	-	-	-	-	-	-	-
District Municipality:	0	-	-	-	-	-	-	-	-	-
[insert description]	0	-	-	-	-	-	-	-	-	-
Other grant providers:	0	-	-	-	-	-	-	-	-	-
National Youth Development Agency	0	-	-	-	-	-	-	-	-	-
Parent Municipality	0	-	-	-	-	-	-	-	-	-
Public Service Commission	0	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	322 317	329 936	329 936	2 615	132 791	82 484	50 307	61,0%	329 936
	0	-	-	-	-	-	-	-	0,0%	-
Capital Transfers and Grants	0	-	-	-	-	-	-	-	0,0%	-
<u>National Government:</u>	0	133	5 000	5 000	-	-	1 250	(1 250)	-100,0%	5 000
Energy Efficiency and Demand Side Management Grant	0	-	5 000	5 000	-	-	1 250	(1 250)	-100,0%	5 000
Municipal Disaster Relief Grant	0	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	0	133	-	-	-	-	-	-	-	-
Provincial Government:	0	-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants	0	-	-	-	-	-	-	-	-	-
District Municipality:	0	-	-	-	-	-	-	-	-	-
[insert description]	0	-	-	-	-	-	-	-	-	-
Other grant providers:	0	-	-	-	-	-	-	-	-	-
[insert description]	0	-	-	-	-	-	-	-	-	-
Parent Municipality	0	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	133	5 000	5 000	-	-	1 250	(1 250)	-100,0%	5 000
	0	-	-	-	-	-	-	-	0,0%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	322 450	334 936	334 936	2 615	132 791	83 734	49 057	58,6%	334 936

References 0

Description	Ref	2023/24		Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	0	0	0	0	0	0	0	0	0	0
Revenue	0	0	0	0	0	0	0	0	0	0
Exchange Revenue	0	0	0	0	0	0	0	0	0	0
Service charges - Electricity	0	-	-	-	-	-	-	-	-	-
Service charges - Water	0	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	0	-	-	-	-	-	-	-	-	-
Service charges - Waste management	0	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services	0	195	233	233	17	47	58	(11)	-19%	233
Agency services	0	76 259	74 446	74 446	7 637	15 068	18 612	(3 544)	-19%	74 446
Interest	0	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	0	-	-	-	-	-	-	-	-	-
Interest from Current and Non Current	0	5 365	3 915	3 915	710	1 422	979	443	45%	3 915
Dividends	0	-	-	-	-	-	-	-	-	-
Rent on Land	0	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	0	580	604	604	18	58	151	(93)	-62%	604
Licence and permits	0	-	-	-	-	-	-	-	-	-
Operational Revenue	0	4 999	4 977	4 977	57	197	1 244	(1 047)	-84%	4 977
Non-Exchange Revenue	0	-	-	-	-	-	-	-	-	-
Property rates	0	-	-	-	-	-	-	-	-	-
Surcharges and Taxes	0	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	0	-	-	-	-	-	-	-	-	-
Licence and permits	0	220	1 500	1 500	-	22	375	(353)	-94%	1 500
Transfers and subsidies - Operational	0	322 317	329 936	329 936	2 615	132 791	82 484	50 307	61%	329 936
Interest	0	-	-	-	-	-	-	-	-	-
Fuel Levy	0	-	-	-	-	-	-	-	-	-
Operational Revenue	0	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	0	30	60	60	-	-	15	(15)	-100%	60
Other Gains	0	-	-	-	-	-	-	-	-	-
Discontinued Operations	0	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	0	409 965	415 672	415 672	11 053	149 605	103 918	45 687	44%	415 672
Expenditure By Type	0	-	-	-	-	-	-	-	-	-
Employee related costs	0	312 249	320 292	320 292	27 441	76 687	80 074	(3 386)	-4%	320 292
Remuneration of councillors	0	14 237	14 794	14 794	1 181	3 546	3 699	(152)	-4%	14 794
Bulk purchases - electricity	0	-	-	-	-	-	-	-	-	-
Inventory consumed	0	7 091	3 793	3 796	471	959	949	10	1%	3 796
Debt impairment	0	-	-	-	-	-	-	-	-	-
Depreciation and amortisation	0	8 596	8 504	8 504	-	-	2 126	(2 126)	-100%	8 504
Interest	0	-	-	-	-	-	-	-	-	-
Contracted services	0	36 101	41 530	41 237	1 302	3 664	10 353	(6 690)	-65%	41 237
Transfers and subsidies	0	8 297	13 136	13 136	2 334	2 970	3 284	(314)	-10%	13 136
Irrecoverable debts written off	0	-	-	-	-	-	-	-	-	-
Operational costs	0	41 806	35 278	35 275	2 365	11 373	8 819	2 554	29%	35 275
Losses on Disposal of Assets	0	17	60	60	-	-	15	(15)	-100%	60
Other Losses	0	-	-	-	-	-	-	-	-	-
Total Expenditure	0	428 396	437 388	437 094	35 094	99 199	109 319	(10 120)	-9%	437 094
Surplus/(Deficit)	0	(18 430)	(21 716)	(21 422)	(24 041)	50 406	(5 401)	55 807	(0)	(21 422)
Transfers and subsidies - capital (monetary allocations)	0	133	5 000	5 000	-	-	1 250	(1 250)	(0)	5 000
Transfers and subsidies - capital (in-kind)	0	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	0	(18 298)	(16 716)	(16 422)	(24 041)	50 406	(4 151)	54 557	(0)	(16 422)

Income Tax	0	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	0	(18 298)	(16 716)	(16 422)	(24 041)	50 406	(4 151)	54 557	(0)	(16 422)
Share of Surplus/Deficit attributable to	0	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to	0	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	0	(18 298)	(16 716)	(16 422)	(24 041)	50 406	(4 151)	54 557	(0)	(16 422)
Share of Surplus/Deficit attributable to	0	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary trans	0	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	0	(18 298)	(16 716)	(16 422)	(24 041)	50 406	(4 151)	54 557	(0)	(16 422)

DC42 Sedibeng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

ANNEXURE "H"

Vote Description	Ref	2023/24	Budget Year	0	0	0	0	0	0	0
		Audited Outcome	2024/25 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	0	0	0	0	0	0	0	0	0
Multi-Year expenditure appropriation	2	-	-	-	-	-	-	-	-	-
Vote 01 - Executive & Council	0	-	-	-	-	-	-	-	-	-
Vote 02 - Budget & Treasury Office	0	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services	0	-	5 000	5 000	-	-	1 250	(1 250)	-100%	5 000
Vote 04 - Roads And Transport	0	-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Development	0	-	-	-	-	-	-	-	-	-
Vote 06 - Community & Social Services	0	-	-	-	-	-	-	-	-	-
Vote 07 -	0	-	-	-	-	-	-	-	-	-
Vote 08 -	0	-	-	-	-	-	-	-	-	-
Vote 09 -	0	-	-	-	-	-	-	-	-	-
Vote 10 -	0	-	-	-	-	-	-	-	-	-
Vote 11 -	0	-	-	-	-	-	-	-	-	-
Vote 12 -	0	-	-	-	-	-	-	-	-	-
Vote 13 -	0	-	-	-	-	-	-	-	-	-
Vote 14 -	0	-	-	-	-	-	-	-	-	-
Vote 15 - Other	0	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	5 000	5 000	-	-	1 250	(1 250)	-100%	5 000
Single Year expenditure appropriation	2	-	-	-	-	-	-	-	0%	-
Vote 01 - Executive & Council	0	-	-	-	-	-	-	-	-	-
Vote 02 - Budget & Treasury Office	0	105	120	120	-	-	30	(30)	-100%	120
Vote 03 - Corporate Services	0	778	1 700	1 700	191	269	425	(156)	-37%	1 700
Vote 04 - Roads And Transport	0	137	-	294	-	-	29	(29)	-100%	294
Vote 05 - Planning & Development	0	-	-	-	-	-	-	-	-	-
Vote 06 - Community & Social Services	0	-	-	-	-	-	-	-	-	-
Vote 07 -	0	-	-	-	-	-	-	-	-	-
Vote 08 -	0	-	-	-	-	-	-	-	-	-
Vote 09 -	0	-	-	-	-	-	-	-	-	-
Vote 10 -	0	-	-	-	-	-	-	-	-	-
Vote 11 -	0	-	-	-	-	-	-	-	-	-
Vote 12 -	0	-	-	-	-	-	-	-	-	-
Vote 13 -	0	-	-	-	-	-	-	-	-	-
Vote 14 -	0	-	-	-	-	-	-	-	-	-
Vote 15 - Other	0	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	1 020	1 820	2 114	191	269	484	(216)	-44%	2 114
Total Capital Expenditure	0	1 020	6 820	7 114	191	269	1 734	(1 466)	-84%	7 114
Capital Expenditure - Functional Classification	0	-	-	-	-	-	-	-	0%	-
<i>Governance and administration</i>	0	883	6 820	6 820	191	269	1 705	(1 436)	-84%	6 820
Executive and council	0	-	-	-	-	-	-	-	-	-
Finance and administration	0	883	6 820	6 820	191	269	1 705	(1 436)	-84%	6 820
Internal audit	0	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	0	-	-	-	-	-	-	-	-	-
Community and social services	0	-	-	-	-	-	-	-	-	-
Sport and recreation	0	-	-	-	-	-	-	-	-	-
Public safety	0	-	-	-	-	-	-	-	-	-
Housing	0	-	-	-	-	-	-	-	-	-
Health	0	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	0	137	-	294	-	-	29	(29)	-100%	294
Planning and development	0	137	-	294	-	-	29	(29)	-100%	294
Road transport	0	-	-	-	-	-	-	-	-	-
Environmental protection	0	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	0	-	-	-	-	-	-	-	-	-
Energy sources	0	-	-	-	-	-	-	-	-	-
Water management	0	-	-	-	-	-	-	-	-	-
Waste water management	0	-	-	-	-	-	-	-	-	-
Waste management	0	-	-	-	-	-	-	-	-	-
<i>Other</i>	0	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	1 020	6 820	7 114	191	269	1 734	(1 466)	-84%	7 114
Funded by:	0	-	-	-	-	-	-	-	0%	-
National Government	0	242	5 120	5 414	-	-	1 309	(1 309)	-100%	5 414
Provincial Government	0	-	-	-	-	-	-	-	-	-
District Municipality	0	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	0	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	0	242	5 120	5 414	-	-	1 309	(1 309)	-100%	5 414
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds	0	778	1 700	1 700	191	269	425	(156)	-37%	1 700
Total Capital Funding	0	1 020	6 820	7 114	191	269	1 734	(1 466)	-84%	7 114

PROJECT PLAN – CONFIRMATION OF COMPLIANCE

ANNEXURE "11"

No	Requirement	Compliance with	Period	Responsible Person	Target Date	TICK
1	Irregular expenditure constituting theft, fraud/criminal offence reported to police.	MFMA 32(6)	2023/2024	CFO/MM	Adhoc	✓
2	Impending shortfalls in budget revenue and over spending of budget reported to Council.	MFMA 70(1)	2023/2024	Charles Steyn	Adhoc	✓
3	Report on any failure to adopt/implement budget related policies to Mayor, National and Provincial Treasury.	MFMA 73	2023/2024	Charles Steyn	Adhoc	✓
4	Placing of documents on website within five days of tabling in Council.	MFMA 75	2023/2024	Kajal Wieser Charles Steyn	Adhoc	✓
5	Reasons received from delegated officials when at least three quotations not received.	Notice 868 of 2005	2023/2024	Kajal Wiese	Adhoc	✓
			2023/2024			✓
6	Any contributions in respect of inducements, rewards, gifts and favours to officers	Notice 868 of 2005	2023/2024	All Finance Staff		✓
7	Notification of intention to investigate public – private partnerships given to National Treasury prior to start of study.	0	2023/2024	CFO	Adhoc	✓
		Reg 2(1)(a)	2023/2024			✓
8	Report received from all entities of any irregular, fruitless or wasteful expenditure – submitted to Mayor, Auditor General.	MFMA 102(1)	2023/2024	Kajal Wiese	Adhoc	✓

PROJECT PLAN – CONFIRMATION OF COMPLIANCE
Quarterly

ANNEXURE "I3"

No	Requirement	Compliance with	Period	Responsible Person	Target Date	SEPT	DEC	MAR	JUNE
1	Consolidated report submitted of all withdrawals for quarter, to Provincial Treasury and Auditor General.	MFMA 11(4)	Quarterly	Charles Steyn/ Masechaba Magalefa	30 days after month-end (3 rd Month)	✓			
2	Changes in banking details notified to National and Provincial Treasury and Auditor General.	MFMA 8(5) 9(a) 86(1)(a)	Quarterly	Lerato Tabane & Charles Steyn	Quarterly	✓			
3	Overdrawn position of any bank accounts reported to National Treasury.	MFMA 70(2)	Quarterly	Lerato Tabane & Charles Steyn	Quarterly	✓			
4	Quarterly report to Council on implementation of Supply Chain Policy.	Notice 868 of 2005 Reg 6(3)	Quarterly	Charles Steyn	Quarterly	✓ ✓			
5	Reasons for any deviations from any recommended tender submitted to National and Provincial Treasury and Auditor General.	MFMA 114(1) Notice 868 of 2005 Reg 29(7)		Charles Steyn	Quarterly	✓ ✓ ✓			
6	DC42_BM (External Debt Created, Repaid or Redeemed)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓			
7	DC42_ME (Municipal Entity Quarterly Return)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓			
7	DC42_LTC (Long Term Contracts Quarterly Return - > R1mil <u>AND</u> > 5yr)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓			
8	DC42_MFM1 (Quartely MFMA Implementation and Monitoring Checklist-Implementation Priorities)	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓			
9	Quarterly Financial Early Warning Report	MFMA	Quarterly	Charles Steyn/ Masechaba Magalefa	10 days after month-end (3 rd Month)	✓			
10	Conduct a monthly performance review with staff.	Policy and Procedures	Quarterly	Charles Steyn CFO	Quarterly	✓			