

# Harry Gwala District Municipality

MFMA S71 AND S52(d) REPORT FOR THE PERIOD ENDING 31 MARCH 2024



## **In-Year Report of the Municipality**

Prepared in terms of Section 71 and Section 52(d) of the Local Government Municipal Finance Management Act, (Act 56 of 2003) and the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 June 2009.

## **Budget & Treasury Office**

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## Glossary

**Adjustments budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

**AFS** – Annual Financial Statements

**Budget** – The financial plan of the Municipality.

**Capital expenditure** - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

**Equitable share** – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

**FMG** – Financial Management Grant.

**GRAP** – Generally Recognised Accounting Practice. The standard for municipal accounting.

**IDP** – Integrated Development Plan. The main strategic planning document of the Municipality.

**MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

**MFMA** – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

**MIG** – Municipal Infrastructure Grant.

**MTREF** – Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes financial information of the previous and current year.

**Operating expenditure** – Spending on the day to day expenses of the Municipality such as salaries and wages, repairs and maintenance etc.

**SDBIP** – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information. Harry Gwala District Municipality MFMA s71 Monthly Report Page 5

**Strategic objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

**Vote** – one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned. .

**YTD** – Year to date

**YoY** – Year on Year

**DBSA** – Development Bank of South Africa

## **PURPOSE**

To table a report on the Implementation of the current budget and the financial state of the Municipality in terms of Section 71 and Section 52(d) of the Municipal Finance Management Act (MFMA)

## **LEGAL FRAMEWORK**

- Local Government: Municipal Finance Management Act, 56 of 2003
- SCM Regulations
- SCM Policy
- Municipal Budget Reporting Regulation
- Division of Revenue Act

## **Legislative Requirements**

In terms of the section 71 of the MFMA the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a)* Actual revenue, per revenue source;
- (b)* actual borrowings;
- (c)* actual expenditure, per vote;
- (d)* actual capital expenditure, per vote;
- (e)* the amount of any allocations received;

(f) actual expenditure on those allocations, excluding expenditure on—

- (i) its share of the local government equitable share; and
- (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and

(g) when necessary, an explanation of—

- (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
- (ii) any material variances from the service delivery and budget implementation plan; and
- (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's

### **1.1 Mayors Report**

In accordance with Section 52(d) of the Municipal Finance Management Act, the mayor submit a report to the council within 30 days after the end of each quarter which is the third quarter of 2023/2024, on the implementation of the budget and the financial state of affairs of the Harry Gwala District Municipality.

This report forms part of the general responsibilities of the Mayor of a Municipality and is intended to inform and enable the council to fulfil its oversight responsibility.

### **1.2.1 Implementation of the budget in accordance with the SDBIP**

A comprehensive report detailing the implementation for the third quarter ended 31 March 2024 will be tabled in a separate report to council.

### **1.2.2 Financial problems or risks facing the municipality.**

The cash flow position as at 31 March 2024 of the Municipality shows an improvement when compared to the previous financial year. However, the municipality will seek to improve more in order for the municipality to be stable and continue to show great improvements and close the financial year with positive bank balance and have the reserves in the next financial year.

The municipality also need to improve more in collection in order to reduce consumer debts because it will contribute towards the municipality's cash flow. Improving the debt collection will continue to rank high in the municipality's priorities as we seek to improve financial sustainability. The municipal also need to continue implementing cost containment policy.

## **1.2 Executive Summary or Background**

This report is a summary of the main budget issues arising from the in-year monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

### **Revenue by Source**

The Year-to-Date actual revenue is 119% above the YTD budget. All the allocated conditional grants receipted as per Division of Revenue Bill, However the recognition as revenue only occur when the expenditure is incurred.

### **Borrowings**

The balance of borrowings does not have the long-term loans.

### **Operating expenditure by vote & type**

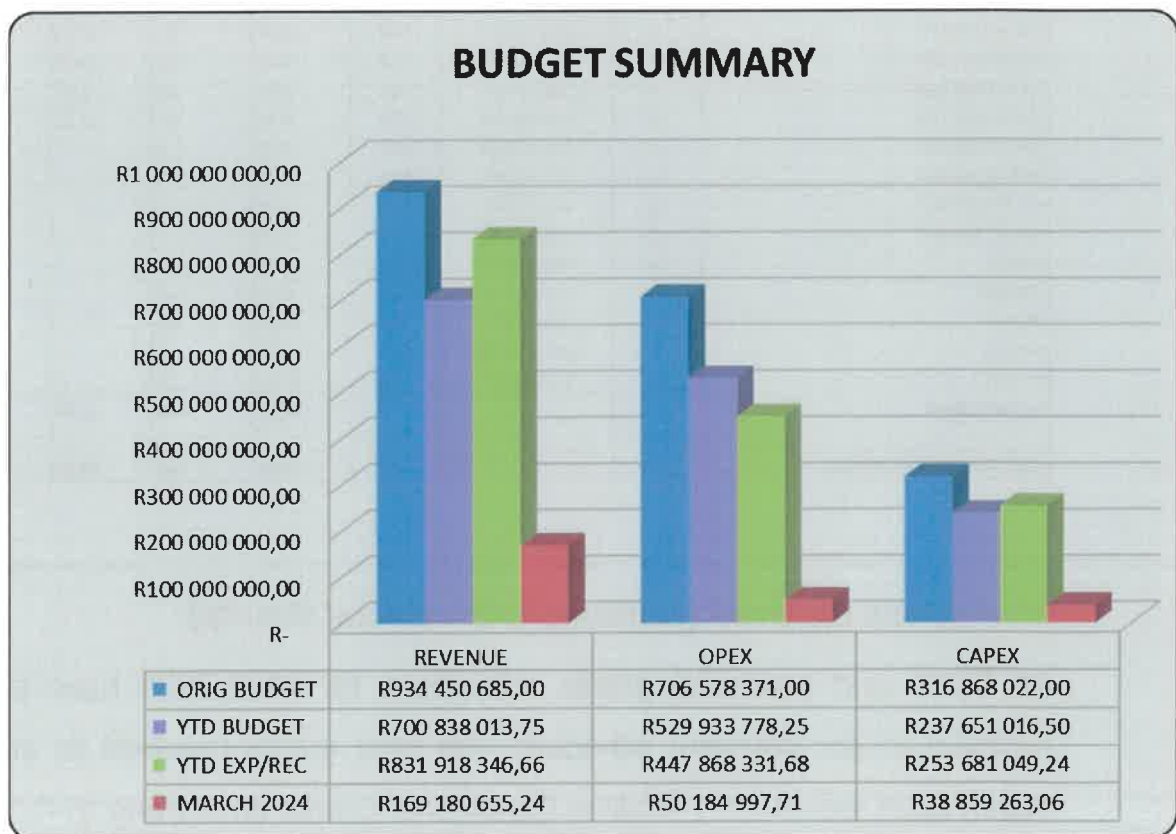
The total operating budget for the current year amounts to R706, 5m. The YTD Operating expenditure for the month ended 31 March amounted to R447, 8m against a year to date (YTD) budget of R529, 9m. The actual YTD expenditure represented 85% of the planned.



### Capital expenditure

The total capital budget for the current year amounts to R316, 8m. The YTD expenditure on capital amounts to R253, 6million, or 107% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

**Chart 1: Budget vs. Expenditure Summary**



## Cash flows

The municipality started the year with a positive cashbook balance of R124, 6million. The closing cash and cash equivalents as at the end of March 2024 was R365, 5million refer to the table below for cash and cash equivalent register for more detail on the municipality’s cash position.

**CASH AND INVESTMENT REGISTER AS AT 31 MARCH 2024**

Investments by maturity Name of institution & investment ID	Period of investment	Type of Investment	Variable or Fixed interest rate	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
	Yrs/Months							
<b>R thousands</b>								
<b>Municipality</b>								
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	29 393	237	(21 141)	-	8 426
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	67 072	351	(34 273)	-	33 150
FIRST NATIONAL BANK	M	ADMIN CALL	Fixed	43 952	225	(5 925)	-	37 252
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	22 367	138	(3 329)	-	19 176
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	3 102	17	-	-	3 119
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	29 170	159	-	-	29 329
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 737	9	-	-	1 747
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	1 285	7	-	-	1 292
NEDBANK	M	FIXED DEPOSIT	Fixed	98	1	-	-	99
ABSA BANK	M	FIXED DEPOSIT	Fixed	37 734	1 513	-	-	39 247
FNB BANK	M	FIXED DEPOSIT	Fixed	47 705	674	-	-	48 380
FNB BANK	M	CURRENT ACCOUNT	Fixed	5 103	-	-	39 057	44 159
FNB BANK	M	FIXED DEPOSIT	Fixed	100 600	163	-	-	100 763
<b>Municipality sub-total</b>				<b>388 695</b>	<b>3 466</b>	<b>(65 668)</b>	<b>39 057</b>	<b>365 540</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>				<b>388 695</b>	<b>3 466</b>	<b>(65 668)</b>	<b>39 057</b>	<b>365 540</b>

## Allocations received (National & Provincial Grants)

All DORA and provincial grants allocations for 2023/2024 have been received as per payment schedule. The total grants received as at 31 March 2024 was R 787, 9million. Conditional Grants amounting to R 324, 3million and the equitable share is R 463, 2million. Three grants received in the month ending 31 March 2024.

## Transfers Recognised – Operational

One operational grant received for the month of March 2024 namely:

- Equitable Share- R 115 907 000

## Transfers Recognised – Capital

Two capital grants received for the month of March 2024 namely:

- Municipal Infrastructure Grant- R 23 630 000
- Water Services Infrastructure Grant – R 10 000 000

## Spending on Grants

Spending on grants amounted to R253, 6million or 107% for 2023/24 third quarter.

### CONDITIONAL GRANTS REGISTER AS AT 31 MARCH 2024

Description	Budget Year 2023/24								
	Original Budget	Adjusted Budget	Total Receipts	Expenditure Excl VAT	VAT	Expenditure Incl VAT	YTD variance	YTD variance %	UNSPENT
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
National Government:	30 209	11 988	11 988	9 912	192		9 720	84,0%	1 885
Expanded Public Works Programme Integrated Grant	6 168	5 823	5 823	5 330	-	5 330	493	8,5%	493
Local Government Financial Management Grant	1 200	1 200	1 200	776	7	763	417	34,7%	417
Municipal Infrastructure Grant	20 450	2 574	2 574	2 574	-	2 574	-	0,0%	-
Rural Road Asset Management Systems Grant	2 391	2 391	2 391	1 231	185	1 416	975	40,8%	975
Water Services Infrastructure Grant	-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>30 209</b>	<b>11 988</b>	<b>11 988</b>	<b>9 912</b>	<b>192</b>	<b>10 104</b>	<b>1 885</b>	<b>84,0%</b>	<b>1 885</b>
<b>Capital Transfers and Grants</b>									
National Government:	321 352	313 056	313 056	241 248	36 187	277 435	35 620	25,2%	56 797
Municipal Infrastructure Grant	221 352	223 056	223 056	175 041	26 256	201 297	21 759	10%	42 936
Water Services Infrastructure Grant	100 000	90 000	90 000	66 208	9 931	76 139	13 861	15%	13 861
<b>Total Capital Transfers and Grants</b>	<b>321 352</b>	<b>313 056</b>	<b>313 056</b>	<b>241 248</b>	<b>36 187</b>	<b>277 435</b>	<b>35 620</b>	<b>25,2%</b>	<b>56 797</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>351 561</b>	<b>325 044</b>	<b>325 044</b>	<b>251 160</b>	<b>36 379</b>	<b>287 539</b>	<b>37 505</b>	<b>109,1%</b>	<b>58 681</b>

### **1.3 Resolutions**

This report will be tabled to Executive committee and therefore the resolution will be available once it tabled to council in terms of Sec 52 (d) of the MFMA.

### **1.4 Monthly Budget Statement Tables**

#### **Monthly Budget Statements Summary**

Table C1 below provides a summary of the overall performance in the Municipality and is unpacked in the sections that follow.

# Harry Gwala District Municipality

DC43 Harry Gwala - Table C1 Consolidated Monthly Budget Statement Summary - M09 March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	77 674	76 192	67 165	3 998	47 818	52 631	(4 813)	-9%	67 165
Investment revenue	10 858	5 713	19 570	3 494	19 681	11 214	8 467	76%	19 570
Transfers and subsidies - YTD actual	452 460	493 840	479 090	116 544	473 735	363 005	110 730		479 090
Other own revenue	19 422	13 224	16 687	1 216	13 250	11 649	1 600	14%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>560 414</b>	<b>588 970</b>	<b>582 513</b>	<b>125 253</b>	<b>554 483</b>	<b>438 499</b>	<b>115 984</b>	<b>26%</b>	<b>582 513</b>
Employee costs	245 707	256 783	256 783	22 322	186 924	192 589	(5 664)		256 783
Remuneration of Councillors	6 988	8 119	8 119	559	5 260	6 089	(829)		8 119
Depreciation and amortisation	93 063	97 007	97 007	7 894	71 092	72 755	(1 663)		97 007
Interest	113	100	104	-	2	77	(75)		104
Inventory consumed and bulk purchases	33 421	28 431	35 246	2 575	23 463	24 731	(1 268)		35 246
Transfers and subsidies	15 290	2 500	2 500	-	-	1 875	(1 875)	-100%	2 500
Other expenditure	239 848	291 214	306 819	16 836	161 127	226 214	(65 087)	-29%	306 819
<b>Total Expenditure</b>	<b>634 430</b>	<b>684 154</b>	<b>706 578</b>	<b>50 185</b>	<b>447 868</b>	<b>524 330</b>	<b>(76 462)</b>	<b>-15%</b>	<b>706 578</b>
<b>Surplus/(Deficit)</b>	<b>(74 016)</b>	<b>(95 185)</b>	<b>(124 066)</b>	<b>75 068</b>	<b>106 615</b>	<b>(85 832)</b>	<b>192 446</b>	<b>-224%</b>	<b>(124 066)</b>
Transfers and subsidies - capital (monetary allocations)	283 338	321 352	351 938	43 928	277 435	254 189	23 246	9%	351 938
Transfers and subsidies - capital (in-kind)	3 888	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>213 210</b>	<b>226 167</b>	<b>227 872</b>	<b>118 996</b>	<b>384 050</b>	<b>168 358</b>	<b>215 693</b>	<b>128%</b>	<b>227 872</b>
Share of surplus/ (deficit) of associate	-	17 000	17 000	-	-	12 750	(12 750)	-100%	17 000
<b>Surplus/ (Deficit) for the year</b>	<b>213 210</b>	<b>243 167</b>	<b>244 872</b>	<b>118 996</b>	<b>384 050</b>	<b>181 108</b>	<b>202 943</b>	<b>112%</b>	<b>244 872</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>269 118</b>	<b>306 141</b>	<b>316 868</b>	<b>38 859</b>	<b>253 681</b>	<b>234 970</b>	<b>18 712</b>	<b>8%</b>	<b>316 868</b>
Capital transfers recognised	251 309	277 584	287 510	38 755	247 903	213 151	34 751	16%	287 510
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	17 809	28 557	29 358	105	5 778	21 818	(16 040)	-74%	29 358
<b>Total sources of capital funds</b>	<b>269 118</b>	<b>306 141</b>	<b>316 868</b>	<b>38 859</b>	<b>253 681</b>	<b>234 970</b>	<b>18 712</b>	<b>8%</b>	<b>316 868</b>
<b>Financial position</b>									
Total current assets	194 402	147 860	212 118		306 485				212 118
Total non current assets	2 927 288	2 955 803	3 147 620		350 128				3 147 620
Total current liabilities	151 972	111 522	136 167		61 244				136 167
Total non current liabilities	27 735	28 869	27 735		(810)				27 735
Community wealth/Equity	2 981 547	2 720 105	2 950 964		596 179				2 950 964
<b>Cash flows</b>									
Net cash from (used) operating	1 502 609	324 776	324 495	243 294	1 669 510	243 371	(1 426 139)	-586%	324 495
Net cash from (used) investing	(269 118)	(306 141)	(316 868)	(38 859)	(253 681)	(237 651)	16 030	-7%	(316 868)
Net cash from (used) financing	-	(2 251)	(2 251)	-	526	(1 688)	(2 214)	131%	(2 251)
<b>Cash/cash equivalents at the month/year end</b>	<b>1 283 718</b>	<b>84 290</b>	<b>144 381</b>	<b>-</b>	<b>1 490 769</b>	<b>143 038</b>	<b>(1 347 731)</b>	<b>-942%</b>	<b>79 790</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	7 914	5 182	4 945	3 362	3 607	3 663	30 052	193 841	252 567
<b>Creditors Age Analysis</b>									
Total Creditors	4	0	2	0	-	-	-	-	7

## Financial Performance

Table C2 provides the statement of financial performance by standard classification.

DC43 Harry Gwala - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - M09 March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	449 558	488 282	501 808	119 521	484 648	372 975	111 673	30%	501 808
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	449 558	488 282	501 808	119 521	484 648	372 975	111 673	30%	501 808
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	32	16	16	3	33	12	21	172%	16
Community and social services	32	16	16	3	33	12	21	172%	16
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	3 888	638	638	-	-	478	(478)	-100%	638
Planning and development	3 888	638	638	-	-	478	(478)	-100%	638
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	394 162	438 386	448 988	49 657	347 238	331 973	15 265	5%	448 988
Energy sources	-	-	-	-	-	-	-	-	-
Water management	381 035	423 735	434 477	48 513	336 684	321 054	15 630	5%	434 477
Waste water management	13 126	14 651	14 511	1 143	10 554	10 919	(364)	-3%	14 511
Waste management	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>847 640</b>	<b>927 322</b>	<b>951 451</b>	<b>169 181</b>	<b>831 818</b>	<b>705 438</b>	<b>126 480</b>	<b>18%</b>	<b>951 451</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	284 782	294 557	315 741	18 446	182 644	231 298	(48 655)	-21%	315 741
Executive and council	29 054	39 878	42 257	2 944	23 237	31 117	(7 880)	-25%	42 257
Finance and administration	244 498	244 785	263 793	14 907	153 231	192 880	(39 649)	-21%	263 793
Internal audit	11 230	9 894	9 692	596	6 176	7 301	(1 126)	-15%	9 692
<b>Community and public safety</b>	17 993	20 592	20 082	1 537	14 758	15 189	(431)	-3%	20 082
Community and social services	17 993	20 592	20 082	1 537	14 758	15 189	(431)	-3%	20 082
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	152 099	167 382	160 295	15 766	116 415	121 994	(5 579)	-5%	160 295
Planning and development	152 099	167 382	160 295	15 766	116 415	121 994	(5 579)	-5%	160 295
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	179 556	201 412	210 248	14 435	134 052	155 890	(21 639)	-14%	210 248
Energy sources	-	-	-	-	-	-	-	-	-
Water management	177 046	200 518	209 364	14 421	133 927	155 025	(21 098)	-14%	209 364
Waste water management	2 509	893	884	14	124	665	(541)	-81%	884
Waste management	-	-	-	-	-	-	-	-	-
Other	-	212	212	-	-	158	(159)	-100%	212
<b>Total Expenditure - Functional</b>	<b>634 430</b>	<b>684 154</b>	<b>706 578</b>	<b>50 185</b>	<b>447 868</b>	<b>524 330</b>	<b>(76 462)</b>	<b>-15%</b>	<b>706 578</b>
<b>Surplus/ (Deficit) for the year</b>	<b>213 210</b>	<b>243 167</b>	<b>244 872</b>	<b>118 996</b>	<b>384 050</b>	<b>181 108</b>	<b>202 943</b>	<b>112%</b>	<b>244 872</b>

This table assess the revenue by department and then the expenditure for the period ending 31 March 2024. Revenue receipts in March have largely constituted of equitable share and service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of March is 24%.

Expenditure by standard classification presents the expenditures by the departments. Water Services Department has the largest expenditure for the month of March as the department responsible for the repairs and maintenance of the municipal assets and also with the largest staff complement, shares the greatest bulk of this budget and hence the expenditure of R17million.

Table C3 presents the same information as the table above, the difference being that it's by Municipal vote.

DC43 Harry Gwala - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>Revenue by Vote</b>									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	449 162	470 822	484 388	119 457	484 299	359 899	124 400	34,6%	484 388
Vote 04 - Summary Corporate Services	372	372	372	65	321	279	42	14,9%	372
Vote 05 - Summary Social Services & Development Planning	32	17 654	17 654	3	33	13 241	(13 208)	-99,8%	17 654
Vote 06 - Summary Infrastructure Services	308 606	354 861	371 574	44 829	289 786	272 384	17 401	6,4%	371 574
Vote 07 - Summary Water Services	89 467	83 613	77 462	4 826	57 479	59 634	(2 155)	-3,6%	77 462
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>847 640</b>	<b>927 322</b>	<b>951 451</b>	<b>169 181</b>	<b>831 918</b>	<b>705 438</b>	<b>126 480</b>	<b>17,9%</b>	<b>951 451</b>
<b>Expenditure by Vote</b>									
Vote 01 - Summary Council	18 112	19 937	20 098	1 112	13 196	15 033	(1 837)	-12,2%	20 098
Vote 02 - Summary Municipal Manager	22 172	22 917	24 933	2 427	16 216	18 196	(1 980)	-10,9%	24 933
Vote 03 - Summary Budget And Treasury Office	94 176	90 559	98 436	4 890	49 012	71 858	(22 846)	-31,8%	98 436
Vote 04 - Summary Corporate Services	90 554	86 586	101 761	7 353	69 492	72 527	(3 035)	-4,2%	101 761
Vote 05 - Summary Social Services & Development Planning	50 486	75 394	76 876	8 247	45 565	57 287	(11 721)	-20,5%	76 876
Vote 06 - Summary Infrastructure Services	122 016	128 353	119 275	9 096	85 959	91 726	(5 767)	-6,3%	119 275
Vote 07 - Summary Water Services	236 914	260 408	265 200	17 060	168 427	197 703	(29 276)	-14,8%	265 200
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>634 430</b>	<b>684 154</b>	<b>706 578</b>	<b>50 185</b>	<b>447 868</b>	<b>524 330</b>	<b>(76 462)</b>	<b>-14,6%</b>	<b>706 578</b>
<b>Surplus/ (Deficit) for the year</b>	<b>213 210</b>	<b>243 167</b>	<b>244 872</b>	<b>118 996</b>	<b>384 050</b>	<b>181 108</b>	<b>202 943</b>	<b>112,1%</b>	<b>244 872</b>

## Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 March 2024.



# Harry Gwala District Municipality

DC43 Harry Gwala - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue</b>									
<b>Exchange Revenue</b>									
Service charges - Electricity							-		
Service charges - Water	64 525	61 123	53 721	2 938	37 752	42 141	(4 389)	-10%	53 721
Service charges - Waste Water Management	13 149	15 069	13 445	1 060	10 066	10 490	(424)	-4%	13 445
Service charges - Waste management	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services	741	876	585	2	170	512	(341)	-67%	585
Agency services	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	14 117	11 960	15 713	1 147	12 726	10 847	1 879	17%	15 713
Interest from Current and Non Current Assets	10 858	5 713	19 570	3 494	19 681	11 214	8 467	76%	19 570
Dividends	-	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-	-
Operational Revenue	810	388	388	68	354	291	62	21%	388
<b>Non-Exchange Revenue</b>									
Property rates	-	-	-	-	-	-	-	-	-
Surcharges and Taxes	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	452 460	493 840	479 090	116 544	473 735	363 005	110 730	31%	479 090
Interest	-	-	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-
Other Gains	3 755	-	-	-	-	-	-	-	-
<b>Discontinued Operations</b>									
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>560 414</b>	<b>588 970</b>	<b>582 513</b>	<b>125 253</b>	<b>554 483</b>	<b>438 499</b>	<b>115 984</b>	<b>26%</b>	<b>582 513</b>
<b>Expenditure By Type</b>									
Employee related costs	245 707	256 783	256 783	22 322	186 924	192 589	(5 664)	-3%	256 783
Remuneration of councillors	6 988	8 119	8 119	559	5 260	6 089	(829)	-14%	8 119
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-
Inventory consumed	33 421	28 431	35 246	2 575	23 463	24 731	(1 268)	-5%	35 246
Debt impairment	(1 202)	28 300	28 300	-	-	21 225	(21 225)	-100%	28 300
Depreciation and amortisation	93 063	97 007	97 007	7 894	71 092	72 755	(1 663)	-2%	97 007
Interest	113	100	104	-	2	77	(75)	-97%	104
Contracted services	134 263	140 220	150 085	7 182	88 025	110 200	(22 176)	-20%	150 085
Transfers and subsidies	15 290	2 500	2 500	-	-	1 875	(1 875)	-100%	2 500
Inrecoverable debts written off	34 790	30 418	30 418	-	-	22 813	(22 813)	-100%	30 418
Operational costs	69 121	92 277	98 016	9 653	73 102	71 975	1 127	2%	98 016
Losses on Disposal of Assets	2 875	-	-	-	-	-	-	-	-
Other Losses	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>634 430</b>	<b>684 154</b>	<b>706 578</b>	<b>50 185</b>	<b>447 868</b>	<b>524 330</b>	<b>(76 462)</b>	<b>-15%</b>	<b>706 578</b>
<b>Surplus/(Deficit)</b>	<b>(74 016)</b>	<b>(95 185)</b>	<b>(124 066)</b>	<b>75 068</b>	<b>106 615</b>	<b>(85 832)</b>	<b>192 446</b>	<b>(0)</b>	<b>(124 066)</b>
Transfers and subsidies - capital (monetary allocations)	283 338	321 352	351 938	43 928	277 436	254 189	23 246	0	351 938
Transfers and subsidies - capital (in-kind)	3 888	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>213 210</b>	<b>226 167</b>	<b>227 872</b>	<b>118 996</b>	<b>384 050</b>	<b>168 358</b>	<b>215 693</b>	<b>0</b>	<b>227 872</b>
Income Tax									
<b>Surplus/(Deficit) after Income tax</b>	<b>213 210</b>	<b>226 167</b>	<b>227 872</b>	<b>118 996</b>	<b>384 050</b>	<b>168 358</b>			<b>227 872</b>
Share of Surplus/Deficit attributable to Joint Venture									
Share of Surplus/Deficit attributable to Minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>213 210</b>	<b>226 167</b>	<b>227 872</b>	<b>118 996</b>	<b>384 050</b>	<b>168 358</b>			<b>227 872</b>
Share of Surplus/Deficit attributable to Associate									
Intercompany/Parent subsidiary transactions	-	17 000	17 000	-	-	12 750			17 000
<b>Surplus/ (Deficit) for the year</b>	<b>213 210</b>	<b>243 167</b>	<b>244 872</b>	<b>118 996</b>	<b>384 050</b>	<b>181 108</b>			<b>244 872</b>

## Capital Expenditure

Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

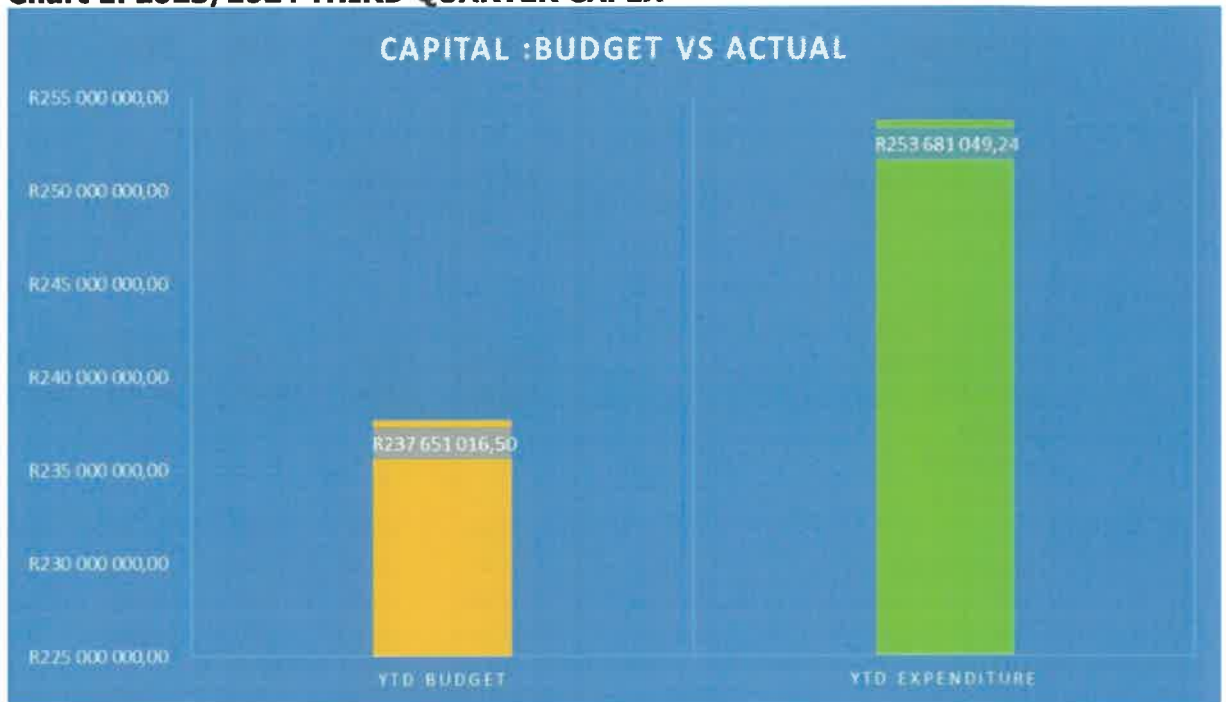
DC43 Harry Gwala - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M09 March

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Multi-Year expenditure appropriation</b>									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	275	-	-	-	-	-	-	-	-
Vote 04 - Summary Corporate Services	7 727	9 641	13 705	105	3 032	9 263	(6 231)	-67%	13 705
Vote 05 - Summary Social Services & Development Planning	408	2 267	2 267	-	-	1 700	(1 700)	-100%	2 267
Vote 06 - Summary Infrastructure Services	47 306	55 292	74 681	7 733	62 985	58 146	4 840	8%	74 681
Vote 07 - Summary Water Services	213 402	238 941	226 215	31 021	187 664	165 861	21 803	13%	226 215
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>269 118</b>	<b>306 141</b>	<b>316 868</b>	<b>38 859</b>	<b>253 681</b>	<b>234 970</b>	<b>18 712</b>	<b>8%</b>	<b>316 868</b>
<b>Total Capital Expenditure</b>	<b>269 118</b>	<b>306 141</b>	<b>316 868</b>	<b>38 859</b>	<b>253 681</b>	<b>234 970</b>	<b>18 712</b>	<b>8%</b>	<b>316 868</b>
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	<b>8 002</b>	<b>10 308</b>	<b>14 372</b>	<b>105</b>	<b>3 032</b>	<b>9 763</b>	<b>(6 731)</b>	<b>-69%</b>	<b>14 372</b>
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	8 002	10 308	14 372	105	3 032	9 763	(6 731)	-69%	14 372
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	<b>270</b>	<b>1 600</b>	<b>1 600</b>	<b>-</b>	<b>-</b>	<b>1 200</b>	<b>(1 200)</b>	<b>-100%</b>	<b>1 600</b>
Community and social services	270	1 600	1 600	-	-	1 200	(1 200)	-100%	1 600
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>41 851</b>	<b>27 618</b>	<b>60 240</b>	<b>6 484</b>	<b>53 517</b>	<b>45 457</b>	<b>8 061</b>	<b>18%</b>	<b>60 240</b>
Planning and development	41 851	27 618	60 240	6 484	53 517	45 457	8 061	18%	60 240
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	<b>218 995</b>	<b>266 615</b>	<b>240 656</b>	<b>32 271</b>	<b>197 132</b>	<b>178 550</b>	<b>18 582</b>	<b>10%</b>	<b>240 656</b>
Energy services	-	-	-	-	-	-	-	-	-
Water management	174 461	198 174	186 078	22 573	146 810	133 423	13 387	10%	186 078
Waste water management	44 534	68 441	54 578	9 698	50 321	45 127	5 194	12%	54 578
Waste management	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	<b>269 118</b>	<b>306 141</b>	<b>316 868</b>	<b>38 859</b>	<b>253 681</b>	<b>234 970</b>	<b>18 712</b>	<b>8%</b>	<b>316 868</b>
<b>Funded by:</b>									
National Government	247 421	277 584	287 510	38 755	247 903	213 151	34 751	16%	287 510
Provincial Government	3 888	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	251 309	277 584	287 510	38 755	247 903	213 151	34 751	16%	287 510
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	17 909	28 557	29 358	105	5 778	21 818	(16 040)	-74%	29 358
<b>Total Capital Funding</b>	<b>269 118</b>	<b>306 141</b>	<b>316 868</b>	<b>38 859</b>	<b>253 681</b>	<b>234 970</b>	<b>18 712</b>	<b>8%</b>	<b>316 868</b>

As alluded to above, the capital expenditure programme for the period ending 31 March 2024 was R253, 6m which represents 107% of capital expenditure against year to date budget of R237, 6million.

The chart below presents a high level analysis of YTD capital expenditure budget against the YTD actual expenditure.

**Chart 1: 2023/2024 THIRD QUARTER CAPEX**



As at 31 March 2023, the year to date actual expenditure was R253, 6million against a YTD budget of R237, 6million. In monetary terms, these figures represent 107 per cent performance against the capital development programme as at 31 March 2024.

Table C6 displays the financial position of the municipality as at 31 March 2024.

DC43 Harry Gwala - Table C6 Consolidated Monthly Budget Statement - Financial Position - M09 March

Description	2022/23	Budget Year 2023/24			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	124 641	84 290	144 133	293 659	144 133
Trade and other receivables from exchange transactions	32 136	28 499	30 274	17 160	30 274
Receivables from non-exchange transactions	2 318	2 336	2 311	(23)	2 311
Current portion of non-current receivables	-	-	-	-	-
Inventory	716	513	716	202	716
VAT	34 596	32 160	34 688	(4 235)	34 688
Other current assets	(5)	62	(5)	(279)	(5)
<b>Total current assets</b>	<b>194 402</b>	<b>147 860</b>	<b>212 118</b>	<b>306 485</b>	<b>212 118</b>
<b>Non current assets</b>					
Investments	-	-	-	-	-
Investment property	-	-	-	-	-
Property, plant and equipment	2 926 773	2 954 832	3 146 517	350 149	3 146 517
Intangible assets	515	972	1 103	(20)	1 103
Trade and other receivables from exchange transactions	-	-	-	-	-
Non-current receivables from non-exchange transactions	-	-	-	-	-
Other non-current assets	0	0	0	-	0
<b>Total non current assets</b>	<b>2 927 288</b>	<b>2 955 803</b>	<b>3 147 620</b>	<b>350 128</b>	<b>3 147 620</b>
<b>TOTAL ASSETS</b>	<b>3 121 690</b>	<b>3 103 663</b>	<b>3 359 738</b>	<b>656 613</b>	<b>3 359 738</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	-	-	-	-	-
Financial liabilities	12 806	10 394	10 406	12	10 406
Consumer deposits	2 415	2 324	2 952	838	2 952
Trade and other payables from exchange transactions	91 868	75 527	97 619	(5 816)	97 619
Trade and other payables from non-exchange transactions	21 177	1 483	1 483	57 964	1 483
Provision	16 171	15 194	16 171	977	16 171
VAT	7 535	6 600	7 535	7 269	7 535
Other current liabilities	-	-	-	-	-
<b>Total current liabilities</b>	<b>151 972</b>	<b>111 522</b>	<b>136 167</b>	<b>61 244</b>	<b>136 167</b>
<b>Non current liabilities</b>					
Financial liabilities	(0)	-	-	(1 299)	-
Provision	27 735	28 869	27 735	489	27 735
Long term portion of trade payables	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
<b>Total non current liabilities</b>	<b>27 735</b>	<b>28 869</b>	<b>27 735</b>	<b>(810)</b>	<b>27 735</b>
<b>TOTAL LIABILITIES</b>	<b>179 707</b>	<b>140 391</b>	<b>163 902</b>	<b>60 434</b>	<b>163 902</b>
<b>NET ASSETS</b>	<b>2 941 983</b>	<b>2 963 272</b>	<b>3 195 836</b>	<b>596 179</b>	<b>3 195 836</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated surplus/(deficit)	2 941 983	2 963 272	3 195 836	596 179	3 195 836
Reserves and funds	-	-	-	-	-
Other	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2 941 983</b>	<b>2 963 272</b>	<b>3 195 836</b>	<b>596 179</b>	<b>3 195 836</b>

Table C7 below display the Cash Flow Statement for the period ending 31 March 2024.

DC43 Harry Gwala - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M09 March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	18	-	-	-	5	-	5	#DIV/0!	-
Service charges	51 062	61 100	61 100	5 497	44 958	45 825	(867)	-2%	61 100
Other revenue	1 823 061	53 987	53 987	170 122	1 523 876	40 490	1 483 385	3664%	53 987
Transfers and Subsidies - Operational	128 367	493 840	493 840	115 907	472 328	370 380	101 948	28%	493 840
Transfers and Subsidies - Capital	316 011	321 352	321 352	33 630	315 630	241 014	74 616	31%	321 352
Interest	10 858	5 713	21 920	3 494	19 681	16 440	3 241	20%	21 920
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(826 768)	(611 117)	(627 704)	(85 356)	(706 969)	(470 778)	236 190	-50%	(627 704)
Interest	-	(100)	-	-	-	-	-	-	-
Transfers and Subsidies	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>1 502 609</b>	<b>324 776</b>	<b>324 495</b>	<b>243 294</b>	<b>1 669 510</b>	<b>243 371</b>	<b>(1 426 139)</b>	<b>-586%</b>	<b>324 495</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(269 118)	(306 141)	(316 868)	(38 859)	(253 681)	(237 651)	16 030	-7%	(316 868)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(269 118)</b>	<b>(306 141)</b>	<b>(316 868)</b>	<b>(38 859)</b>	<b>(253 681)</b>	<b>(237 651)</b>	<b>16 030</b>	<b>-7%</b>	<b>(316 868)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	149	149	-	526	112	414	371%	149
<b>Payments</b>									
Repayment of borrowing	-	(2 400)	(2 400)	-	-	(1 800)	(1 800)	100%	(2 400)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>(2 251)</b>	<b>(2 251)</b>	<b>-</b>	<b>526</b>	<b>(1 688)</b>	<b>(2 214)</b>	<b>131%</b>	<b>(2 251)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>1 233 491</b>	<b>16 384</b>	<b>5 375</b>	<b>204 435</b>	<b>1 416 354</b>	<b>4 032</b>			<b>5 375</b>
Cash/cash equivalents at beginning:	50 226	67 907	139 006	1 286 334	74 414	139 006			74 414
Cash/cash equivalents at month/year end:	1 283 718	84 290	144 381		1 490 769	143 038			79 790

**PART 2 – SUPPORTING DOCUMENTATION**

**2.1 Debtors Analysis**

The table presented below summarises the Debtors Age Analysis as at 31 March 2024.

**Table 2.1.1: Debtors Age Analysis by Income Source**

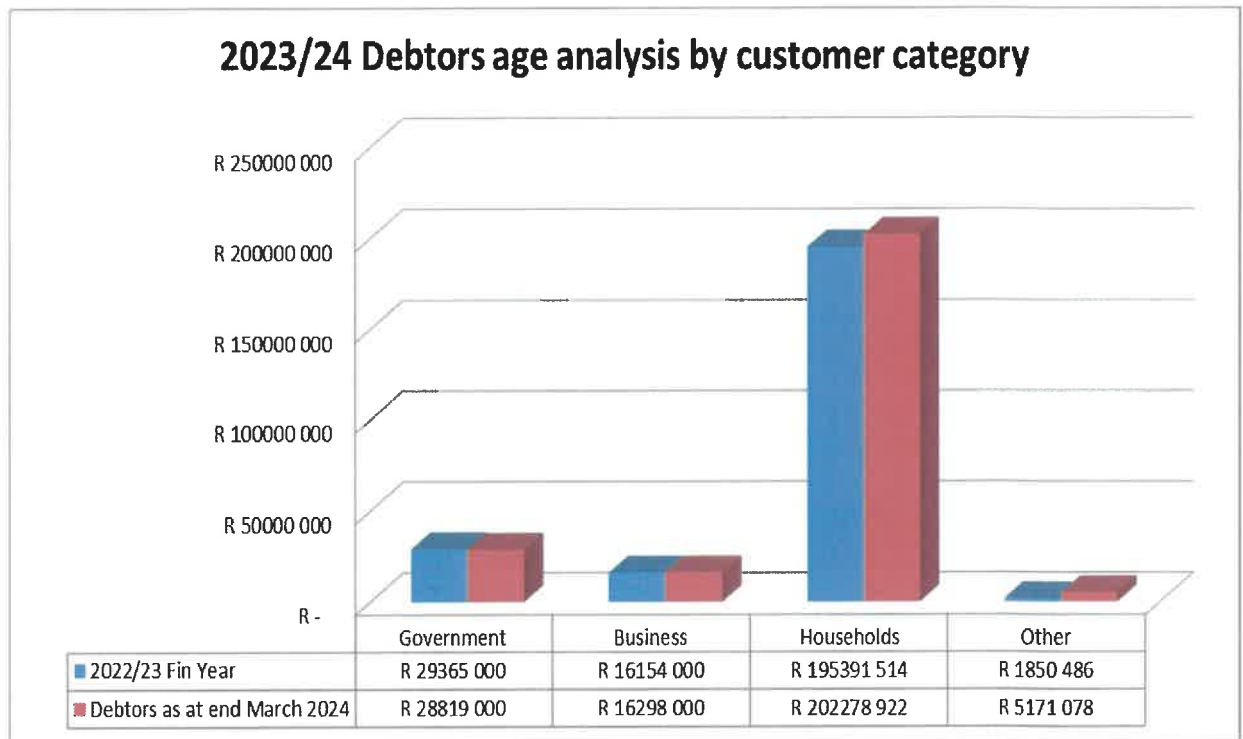
DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

Description	Budget Year 2023/24								Total	Total over 90 days
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dye-1 Yr	Over 1Yr		
<b>R thousands</b>										
<b>Debtors Age Analysis By Income Source</b>										
Trade and Other Receivables from Exchange Transactions - Water	5 080	3 326	3 174	2 158	2 315	2 352	19 291	124 431	162 128	150 548
Trade and Other Receivables from Exchange Transactions - Electricity									-	-
Receivables from Non-exchange Transactions - Property Rates									-	-
Receivables from Exchange Transactions - Waste Water Management	1 985	1 299	1 240	843	904	919	7 536	48 610	63 337	58 813
Receivables from Exchange Transactions - Waste Management									-	-
Receivables from Exchange Transactions - Property Rental Debtors									-	-
Interest on Arrear Debtor Accounts	849	556	531	361	387	393	3 225	20 800	27 101	25 165
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-
Other									-	-
<b>Total By Income Source</b>	<b>7 914</b>	<b>5 182</b>	<b>4 945</b>	<b>3 362</b>	<b>3 607</b>	<b>3 663</b>	<b>30 052</b>	<b>193 841</b>	<b>252 567</b>	<b>234 526</b>
<b>2022/23 - totals only</b>	<b>11423522</b>	<b>5973706</b>	<b>4944563</b>	<b>11846802</b>	<b>3575887</b>	<b>4028585</b>	<b>15836024</b>	<b>178310997</b>	<b>235 940</b>	<b>213 598</b>
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	4 144	2 014	1 408	544	664	662	4 468	14 914	28 819	21 253
Commercial	739	489	517	310	354	333	2 237	11 308	16 298	14 543
Households	3 031	2 669	3 020	2 508	2 589	2 668	23 347	167 618	207 450	198 730
Other									-	-
<b>Total By Customer Group</b>	<b>7 914</b>	<b>5 182</b>	<b>4 945</b>	<b>3 362</b>	<b>3 607</b>	<b>3 663</b>	<b>30 052</b>	<b>193 841</b>	<b>252 567</b>	<b>234 526</b>

The municipal consumer debt is currently increasing citing rigorous actions to ensure that this trend is prevented from continuing as it has a direct negative impact on municipal cash flows.

**Table 2.1.2: Debtors Age Analysis by Customer Category**

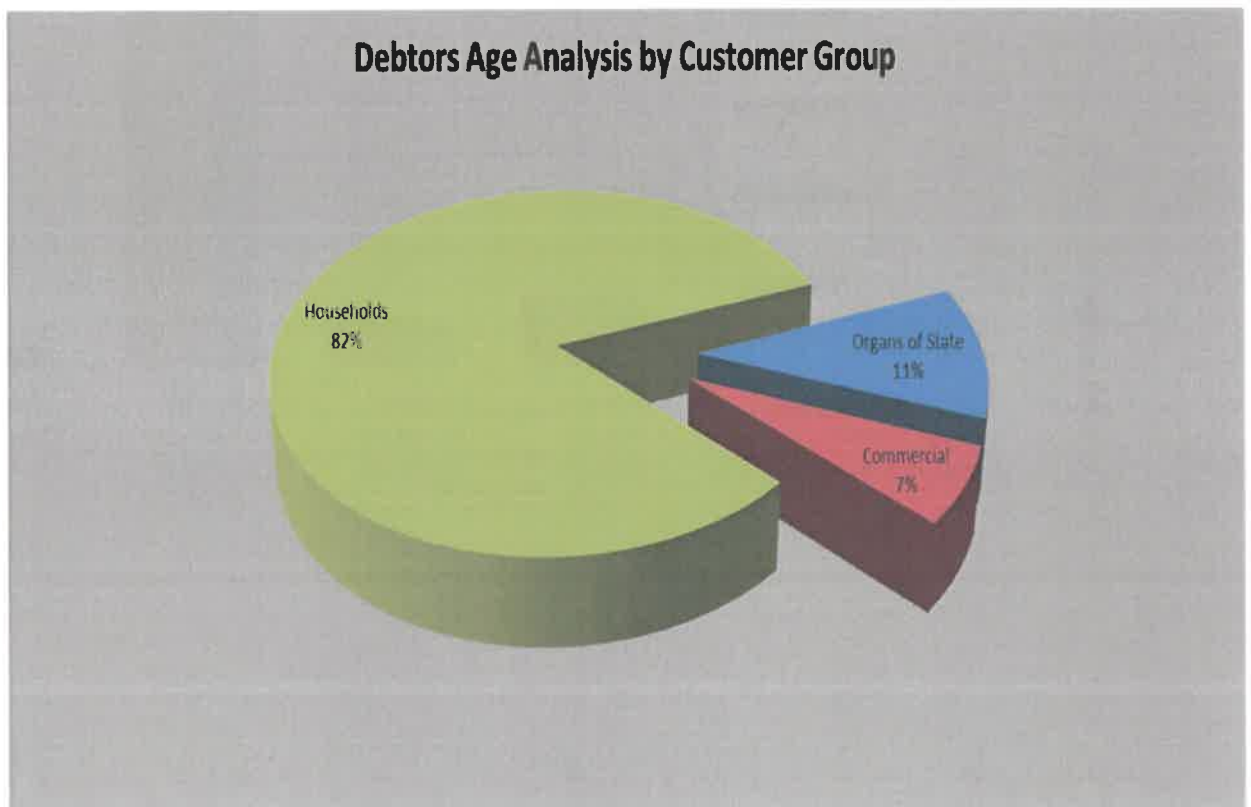
Table 2.1.2 analyses consumer debt by Category. A further analysis in the form of a chart is provided below.



## Chart 2: Debtors Age Analysis by Customer Group

The information presented in the chart above ranks total debt owed to the municipality from highest to the lowest,

- ✓ Households: 82%
- ✓ Government 11%
- ✓ Business 7%



The chart above shows that for each debtor type the amounts owing to the municipality have increased on a year-to-year basis.



The table that follows below unpacks the revenue receipts per Local Municipality in the District

### Revenue receipts per Area

AREA	AMOUNT		
		MARCH 2024	FEBRUARY 2024
Unallocated receipts	R 50 052	1%	0%
Bhongweni	R 29 466	0%	0%
Shayamoya	R 53 819	1%	1%
Kokstad	R 2 455 645	39%	43%
Ixopo	R 985 948	16%	19%
NDZ	R 393 975	6%	26%
Umzimkulu	R 2 377 448	37%	11%
Fairview	R 1 720	0%	0%
<b>TOTAL RECEIPTS INCL VAT</b>	<b>R 6 348 074</b>	100%	100%

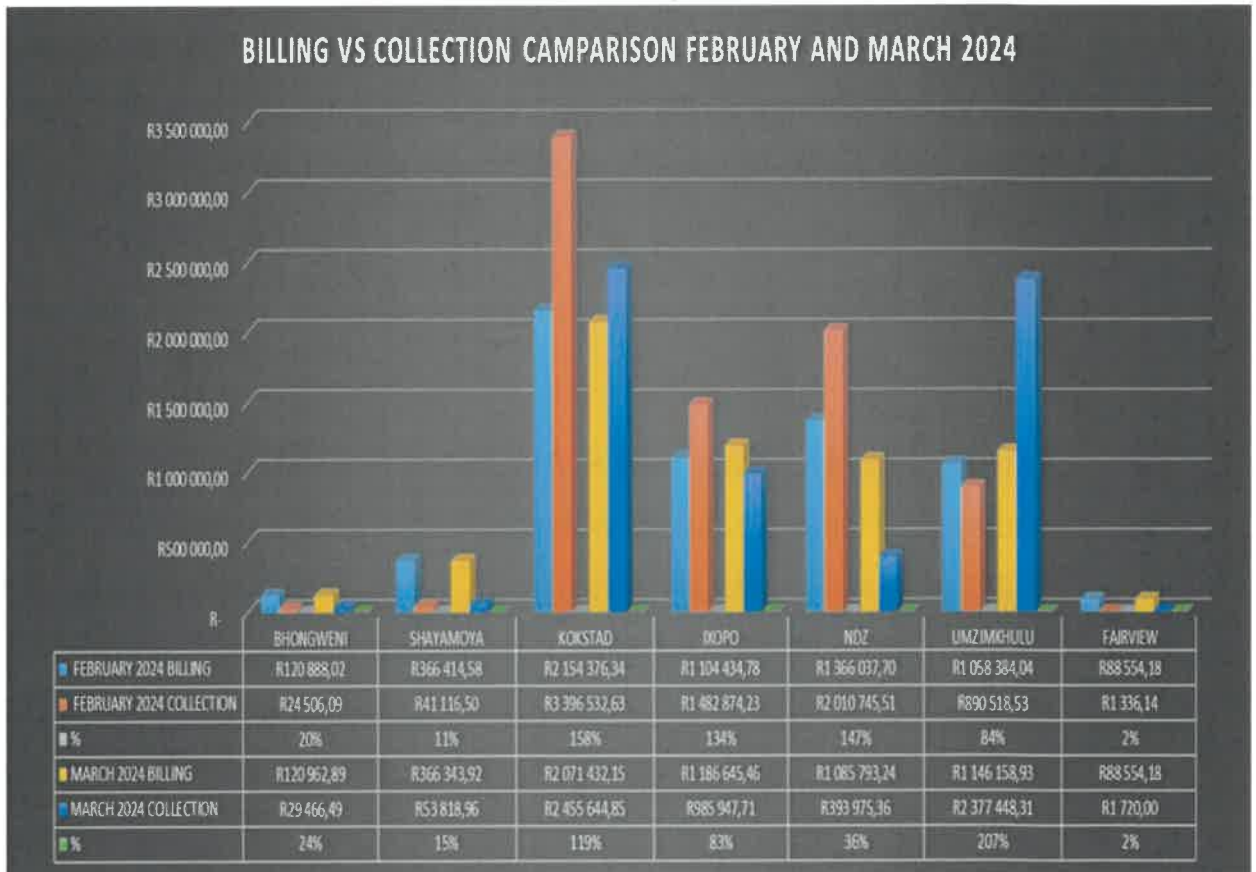
The table above presents the cash receipts from consumer debtors in each of the detailed areas as well as the comparative receipts for the previous month. The total cash collected for March 2024 is R6, 3million.

Billing vs Collection trend for March 2024

The chart that follows below shows the comparison between billing and collection trend for the period ending 31 March 2024



The chart that follows below shows the comparison between billing and collection for the period ending 31 March 2024



### **Debtors age analysis per service**

The municipality's total outstanding debtors amounted to R 252,566,540 as at 31 March 2024 compared with the R 253,310,727 as at 29 February 2024. Current debt represents 3% of the total outstanding debt compared with the 3% of February 2024; 30 days and older debt 2% compared with the 2% for February 2024; 60 days and older debt 2% compared with the 2% of February 2024; and 90 days 1% compared with the 1% of February 2024; 120 days to History and older 92% compared with the 92% for February 2024.

Current debt decreased with R 744,187 to R 252,566,540 in the month ending 31 March compared with the R 253,310,727 as at 29 February 2024; 30 days + debt decreased with R 265,749; 60 days + increased with R 1,437,639; 90 days + debt decreased with R 377,684 and 120 + days and older debt as at 31 March 2024 has decreased with R 1,653,200 to R 231,163,943 compared with the R 232,817,143 for February 2024.

### **Debtors age analysis per debtor type**

Business debtors owes the municipality R 15,877,909 (6%); Municipal debtors R 726,732 (0%); domestic debtors R 173,560,005 (69%); Government accounts R 27,634,570 (11%); Indigent debtors R 28,924,692 (11%); Deceased R 671,605 and other debtors R 5,171,078 (2%) of the total outstanding debt of R 252,566,540.

## 2.2 Creditors Analysis

Table SC presents the aged creditors as at 31 March 2024

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

Description	Budget Year 2023/24								Total
	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	
R thousands									
<b>Creditors Age Analysis By Customer Type</b>									
Bulk Electricity									-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors	4	0	2	0	-	-	-	-	7
Auditor General									-
Other									-
<b>Total By Customer Type</b>	<b>4</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>

## 2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short-term investments balances broken down per investment type as at 31 March 2024.

### Cash and Bank Balances (Investments)

CASH AND INVESTMENT REGISTER AS AT 31 MARCH 2024

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Variable or Fixed interest rate	Opening balance	Interest to be realised	Partial/ Premature Withdrawal (4)	Investment Top Up	Closing Balance
	Yrs/Months							
<b>R thousands</b>								
<u>Municipality</u>								
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	25 360	207	(21 141)	-	8 426
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	67 072	351	(34 273)	-	33 150
FIRST NATIONAL BANK	M	ADMIN CALL	Fixed	43 952	225	(6 925)	-	37 252
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	22 367	138	(3 329)	-	19 176
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	3 102	17	-	-	3 119
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	29 170	159	-	-	29 329
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 737	9	-	-	1 747
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	1 285	7	-	-	1 292
NEDBANK	M	FIXED DEPOSIT	Fixed	98	1	-	-	99
ABSA BANK	M	FIXED DEPOSIT	Fixed	37 734	1 513	-	-	39 247
FNB BANK	M	FIXED DEPOSIT	Fixed	47 706	674	-	-	48 380
FNB BANK	M	CURRENT ACCOUNT	Fixed	5 103	-	-	39 057	44 159
FNB BANK	M	FIXED DEPOSIT	Fixed	100 000	163	-	-	100 163
<b>Municipality subtotal</b>				<b>388 685</b>	<b>3 466</b>	<b>(65 668)</b>	<b>39 057</b>	<b>365 540</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>				<b>388 685</b>	<b>3 466</b>	<b>(65 668)</b>	<b>39 057</b>	<b>365 540</b>

## 2.4 Allocation and Grant receipts and Expenditure

Table SC 6 displays information relating to grant receipts.

DC43 Harry Gwala - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	452 460	493 840	479 090	116 544	473 735	363 005	110 730	30,5%	479 090
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	432 161	463 631	463 631	115 907	463 631	347 723	115 908	33,3%	463 631
Expanded Public Works Programme Integrated Grant	5 221	6 168	5 823	587	5 330	4 454	877	19,7%	5 823
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	1 200	1 200	1 200	50	783	900	(117)	-13,0%	1 200
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	9 479	20 450	6 045	-	2 574	8 135	(5 561)	-68,4%	6 045
Rural Road Asset Management Systems Grant	2 381	2 391	2 391	-	1 416	1 793	(377)	-21,0%	2 391
Water Services Infrastructure Grant	2 016	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
Parent Municipality	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>452 460</b>	<b>493 840</b>	<b>479 090</b>	<b>116 544</b>	<b>473 735</b>	<b>363 005</b>	<b>110 730</b>	<b>30,5%</b>	<b>479 090</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	283 338	321 352	351 938	43 928	277 435	254 189	23 246	9,1%	351 938
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	200 355	221 352	261 938	29 930	201 297	184 189	17 107	9,3%	261 938
Neighbourhood Development Partnership Grant	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	82 982	100 000	90 000	13 998	76 139	70 000	6 139	8,8%	90 000
<b>Provincial Government:</b>	3 888	-	-	-	-	-	-	-	-
Infrastructure Grant	3 888	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-	-
Human Settlement Re-development Programme	-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	<b>287 226</b>	<b>321 352</b>	<b>351 938</b>	<b>43 928</b>	<b>277 435</b>	<b>254 189</b>	<b>23 246</b>	<b>9,1%</b>	<b>351 938</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>739 685</b>	<b>815 192</b>	<b>831 028</b>	<b>160 472</b>	<b>751 170</b>	<b>617 194</b>	<b>133 976</b>	<b>21,7%</b>	<b>831 028</b>

It is clear from the chart above that the bulk of the grants received by the municipality are from the National Treasury.

Table SC7 track the expenditure on Conditional grant funding.

DC43 Harry Gwala - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>EXPENDITURE</b>									
<u>Operating expenditure of Transfers and Grants</u>									
National Government:	560 559	581 732	602 278	46 874	398 449	446 575	(48 125)	-10,8%	602 278
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	536 551	550 194	579 039	45 529	385 365	427 071	(41 706)	-9,8%	579 039
Expanded Public Works Programme Integrated Grant	9 729	7 490	7 490	607	5 483	5 618	(135)	-2,4%	7 490
Local Government Financial Management Grant	847	1 207	1 208	141	822	906	(83)	-9,2%	1 208
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	9 606	20 450	12 150	597	5 548	11 188	(5 639)	-50,4%	12 150
Rural Road Asset Management Systems Grant	2 070	2 391	2 391	-	1 231	1 793	(562)	-31,3%	2 391
Water Services Infrastructure Grant	1 755	-	-	-	-	-	-	-	-
Provincial Government:	-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>	<b>560 559</b>	<b>581 732</b>	<b>602 278</b>	<b>46 874</b>	<b>398 449</b>	<b>446 575</b>	<b>(48 125)</b>	<b>-10,8%</b>	<b>602 278</b>
<u>Capital expenditure of Transfers and Grants</u>									
National Government:	247 421	277 584	287 510	38 755	247 903	213 151	34 751	16,3%	287 510
Local Government Financial Management Grant	275	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	171 657	180 627	209 249	26 922	178 757	152 281	26 476	17,4%	209 249
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	75 489	86 957	78 261	11 833	69 145	60 870	8 276	13,6%	78 261
Provincial Government:	3 888	-	-	-	-	-	-	-	-
Infrastructure Grant	3 888	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>	<b>251 309</b>	<b>277 584</b>	<b>287 510</b>	<b>38 755</b>	<b>247 903</b>	<b>213 151</b>	<b>34 751</b>	<b>16,3%</b>	<b>287 510</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>811 868</b>	<b>859 316</b>	<b>889 788</b>	<b>85 628</b>	<b>646 352</b>	<b>659 726</b>	<b>(13 374)</b>	<b>-2,0%</b>	<b>889 788</b>

## 2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 31 March 2024.



# Harry Gwala District Municipality

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

Summary of Employee and Councillor remuneration	2022/23	Budget Year 2023/24						YTD variance	YTD variance %	Full Year Forecast
	Audited Outcomes	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget				
R thousands	A	B	C						D	
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages	3 902	4 394	4 394	384	3 435	3 296	139	4%	4 394	
Pension and UIF Contributions	469	545	545	-	133	409	(276)	-68%	545	
Medical Aid Contributions	153	186	186	0	32	139	(107)	-77%	186	
Cellphone Allowance	491	534	534	43	418	401	17	4%	534	
Other benefits and allowances	1 973	2 460	2 460	131	1 243	1 845	(602)	-33%	2 460	
<b>Sub Total - Councillors</b>	<b>6 988</b>	<b>8 119</b>	<b>8 119</b>	<b>558</b>	<b>5 280</b>	<b>6 089</b>	<b>(829)</b>	<b>-14%</b>	<b>8 119</b>	
<b>% Increase</b>		<b>16,2%</b>	<b>16,2%</b>						<b>16,2%</b>	
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	4 029	2 186	4 374	303	3 091	2 734	357	13%	4 374	
Pension and UIF Contributions	15	6	1	-	-	2	(2)	-100%	1	
Medical Aid Contributions	66	35	48	4	36	33	3	10%	48	
Performance Bonus	81	117	55	-	55	56	(2)	-3%	55	
Motor Vehicle Allowance	813	501	935	69	640	593	47	8%	935	
Cellphone Allowance	105	58	109	8	76	69	7	10%	109	
Housing Allowances	212	110	295	23	223	175	47	27%	295	
Other benefits and allowances	246	176	259	16	175	174	1	1%	259	
Payments in lieu of leave	332	576	-	-	-	144	(144)	-100%	-	
<i>Acting and post related allowance</i>	53	-	-	-	-	-	-	-	-	
<b>Sub Total - Senior Managers of Municipality</b>	<b>5 950</b>	<b>3 765</b>	<b>6 077</b>	<b>425</b>	<b>4 295</b>	<b>3 980</b>	<b>315</b>	<b>8%</b>	<b>6 077</b>	
<b>% Increase</b>		<b>-36,7%</b>	<b>2,1%</b>						<b>2,1%</b>	
<b>Other Municipal Staff</b>										
Basic Salaries and Wages	142 683	147 894	145 582	13 942	111 695	109 765	1 931	2%	145 582	
Pension and UIF Contributions	21 654	22 732	22 732	1 883	16 989	17 049	(61)	0%	22 732	
Medical Aid Contributions	10 412	10 766	10 766	933	8 115	8 075	40	0%	10 766	
Overtime	19 197	20 962	20 962	1 861	15 659	15 722	(63)	0%	20 962	
Performance Bonus	10 259	10 291	10 291	729	7 264	7 719	(455)	-6%	10 291	
Motor Vehicle Allowance	20 410	22 548	22 548	1 678	14 942	16 911	(1 969)	-12%	22 548	
Cellphone Allowance	1 132	1 242	1 242	96	819	931	(112)	-12%	1 242	
Housing Allowances	636	740	740	66	523	555	(32)	-6%	740	
Other benefits and allowances	6 003	7 279	7 279	537	4 504	5 460	(956)	-18%	7 279	
Payments in lieu of leave	1 418	620	620	112	646	465	181	39%	620	
Long service awards	1 547	1 205	1 205	50	1 197	904	294	32%	1 205	
Post-retirement benefit obligations	4 244	-	-	-	-	-	-	-	-	
<i>Acting and post related allowance</i>	163	221	221	12	276	166	110	66%	221	
<b>Sub Total - Other Municipal Staff</b>	<b>239 757</b>	<b>246 501</b>	<b>244 189</b>	<b>21 897</b>	<b>182 630</b>	<b>183 721</b>	<b>(1 091)</b>	<b>-1%</b>	<b>244 189</b>	
<b>% Increase</b>		<b>2,8%</b>	<b>1,8%</b>						<b>1,8%</b>	
<b>Total Parent Municipality</b>	<b>252 695</b>	<b>258 385</b>	<b>258 385</b>	<b>22 881</b>	<b>192 184</b>	<b>193 790</b>	<b>(1 606)</b>	<b>-1%</b>	<b>258 385</b>	
		<b>2,3%</b>	<b>2,3%</b>						<b>2,3%</b>	
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Board Members of Entities</b>										
Basic Salaries and Wages	-	150	150	-	-	113	(113)	-100%	150	
<b>Sub Total - Executive members Board</b>	<b>-</b>	<b>150</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>113</b>	<b>(113)</b>	<b>-100%</b>	<b>150</b>	
<b>% Increase</b>		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>	
<b>Other Staff of Entities</b>										
Basic Salaries and Wages	-	6 055	6 055	-	-	4 541	(4 541)	-100%	6 055	
Pension and UIF Contributions	-	20	20	-	-	15	(15)	-100%	20	
Payments in lieu of leave	-	242	242	-	-	182	(182)	-100%	242	
<i>Acting and post related allowance</i>	-	50	50	-	-	38	-	-	50	
<i>In kind benefits</i>	-	-	-	-	-	-	-	-	-	
<b>Sub Total - Other Staff of Entities</b>	<b>-</b>	<b>6 367</b>	<b>6 367</b>	<b>-</b>	<b>-</b>	<b>4 775</b>	<b>(4 775)</b>	<b>-100%</b>	<b>6 367</b>	
<b>% Increase</b>		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>	
<b>Total Municipal Entities</b>	<b>-</b>	<b>6 517</b>	<b>6 517</b>	<b>-</b>	<b>-</b>	<b>4 888</b>	<b>(4 888)</b>	<b>-100%</b>	<b>6 517</b>	
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>252 695</b>	<b>264 902</b>	<b>264 902</b>	<b>22 881</b>	<b>192 184</b>	<b>198 678</b>	<b>(6 493)</b>	<b>-3%</b>	<b>264 902</b>	
<b>% Increase</b>		<b>4,8%</b>	<b>4,8%</b>						<b>4,8%</b>	
<b>TOTAL MANAGERS AND STAFF</b>	<b>245 707</b>	<b>256 633</b>	<b>256 633</b>	<b>22 322</b>	<b>186 924</b>	<b>192 476</b>	<b>(5 552)</b>	<b>-3%</b>	<b>256 633</b>	

## 2.6 Material Variances to the SDBIP

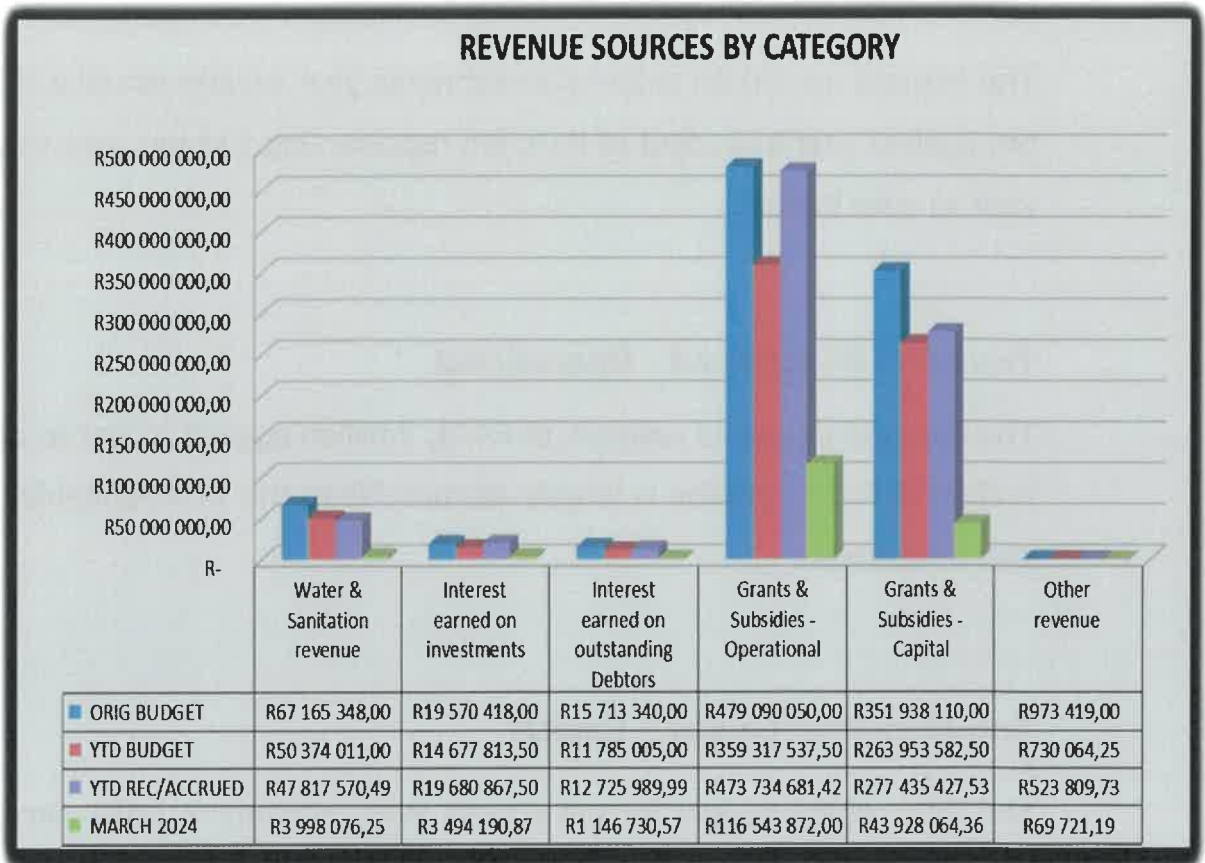
The following section analyses material variances between the actual targets as at 31 March 2024 and the budget for the same period. This report analyses each major component under following headings;

- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and
- ✓ Capital Expenditure
- ✓ Financial Position
- ✓ Cash Flows

### **REVENUE**

The chart displays a comparison between the 2023/2024 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to "performance" rather than "cash movements" in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

**Chart 3: Revenue Analysis**



**Water & Sanitation Charges**

The year to date **actual** water & sanitation charges (**billing**) as at 31 March 2024 was R47, 8million against a year to date **budget** of R50, 3million which is 95 per cent of year to date budget.

### **Interest Earned on External Investments**

The interest earned on external investments year to date actual is R19, 6m against year to budget of R14, 6m representing 134 per cent of the year to date budget.

### **Transfers Recognised - Operational**

The operational grants revenue of R473, 7million against a year to date budget of R359, 3million is largely attributable to the YTD equitable share received.

### **Transfers Recognised – Capital**

The total capital budget for the current year amounts to R351, 9million. The YTD actual on capital amounts to R277, 4million against a YTD budget of R263, 9million or 105% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

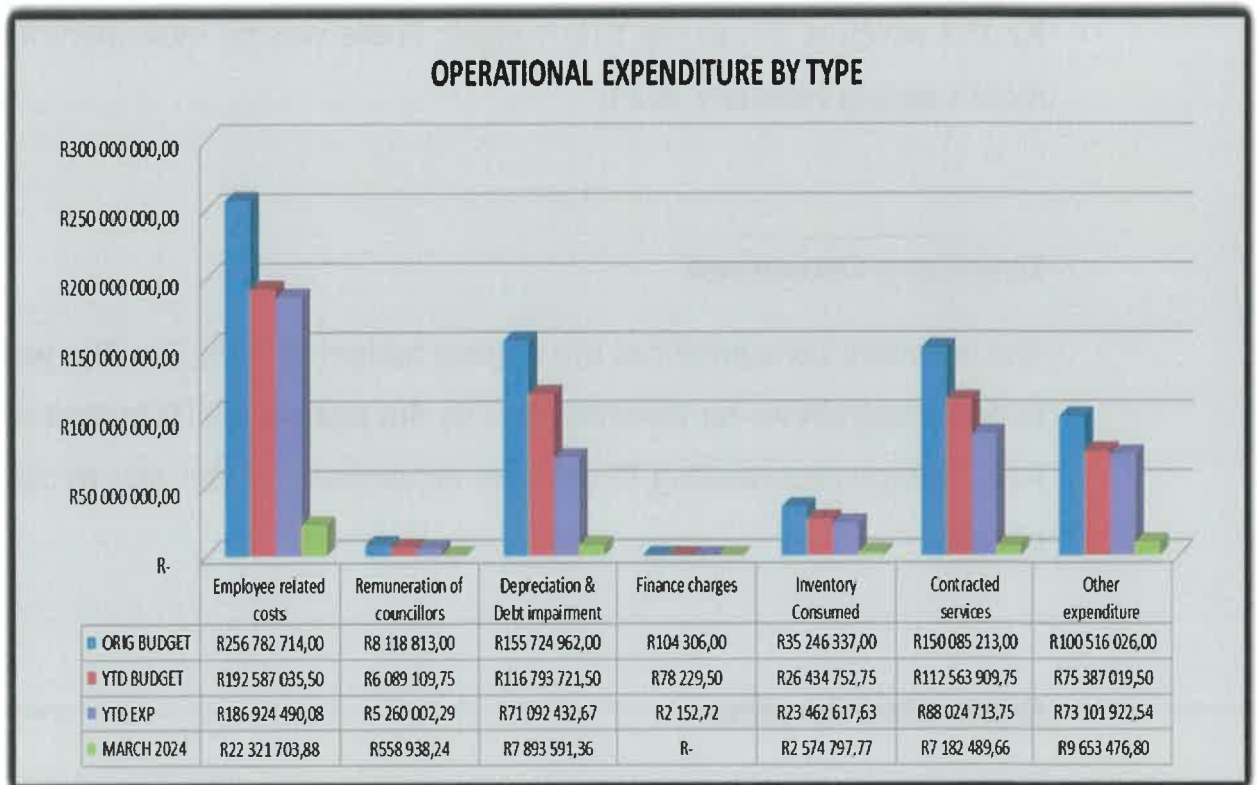
### **Other Revenue**

The YTD performance of other revenue is R 523 810 against YTD budget of R 730 064 which is made up of tender documents and clearance certificates.

## OPERATIONAL EXPENDITURE

The chart below presents the YTD operational expenditure movements against the YTD budgets. An analysis of each expenditure line item category is discussed below.

**Chart 4: 2023/24 Financial Year Opex**



### Employee Related Costs

The YTD actual for employee related costs is R186, 9million against a YTD budget of R192, 5million which is 97% of the YTD budget.

### Remuneration of Councillors

The remuneration of councillor's year to date expenditure is at R5, 2m against a YTD budget of R6m representing 86% of the year to date budget.

### **Finance Charges**

The YTD budget for finance charges is R78 230 against a YTD actual of R2 153 which is 3% of the YTD budget. There was no movement in the month ending February 2024.

### **Inventory Consumed**

The inventory consumed has the original budget of R35, 2m. The year to date expenditure for inventory is R23, 4m against a YTD budget of R26, 4million representing 89 per cent expenditure of the year to date budget.

### **Contracted Services**

The original budget for contracted services is R 150million. The year to date expenditure for Contracted Services is R88m against a YTD budget of R112, 5million representing 78 per cent of planned expenditure.

## **Other Expenditure**

The YTD budget for other expenditure was at R75, 3million against a YTD expenditure of R 73, 1million or 97 per cent and expenditure for the month of March 2024 is R 9, 6million.

## **Performance assessment**

The Performance Assessment Report will be available on the fourth quarter in terms of Sec 52 (d) of the Municipal Finance Management Act.

## **Actual and revised targets for cash receipts**

DC43 Harry Gwala - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M09 March

R thousands	Description	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework			
		July	August	Sept	October	Nov	Dec	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Receipts by Source</b>																	
	Property rates	1	1	1	1	1	1	1	1	1	1	1	1	1	7	7	7
	Service charges - Electricity revenue																
	Service charges - Water revenue	4 359	4 321	4 182	4 336	4 182	4 336	4 182	4 336	4 182	4 336	4 182	4 336	4 182	49 632	49 632	57 392
	Service charges - Waste Water Management	687	854	964	846	1 001	781	347	1 098	790	997	997	997	997	12 562	12 562	13 316
	Service charges - Waste Management																
	Rental of facilities and equipment																
	Interest earned - external investments	835	2 455	1 081	1 670	1 081	1 670	1 081	1 670	1 081	1 670	1 081	1 670	1 081	20 402	20 402	19 519
	Licences and permits	2	1	3	5	3	4	2	5	3	1	1	1	1	16	16	
	Agency services																
	Transfers and Subsidies - Operational	193 180	4 416	2 776	154 544	2 776	154 544	2 776	154 544	2 776	154 544	2 776	154 544	2 776	512 493	512 493	551 650
	Other revenue	387 396	84 724	173 964	101 375	137 808	332 522	76 599	59 336	170 119	4 498	4 498	4 498	4 498	68 317	68 317	65 509
	<b>Cash Receipts by Source</b>	<b>586 460</b>	<b>96 771</b>	<b>181 598</b>	<b>108 233</b>	<b>147 453</b>	<b>489 597</b>	<b>81 670</b>	<b>70 046</b>	<b>295 020</b>	<b>52 571</b>	<b>52 571</b>	<b>52 571</b>	<b>52 571</b>	<b>663 414</b>	<b>663 414</b>	<b>707 393</b>
	<b>Other Cash Flows by Source</b>																
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	91 000			40 000		80 000								318 947	318 947	314 221
	Proceeds on Disposal of Fixed and Intangible Assets																
	Short term loans																
	Borrowing long term/refinancing																
	Increase (decrease) in consumer deposits				27	13	171	280	27		12	12	12	149	569	604	604
	Decrease (increase) in non-current receivables																
	Decrease (increase) in non-current investments																
	<b>Total Cash Receipts by Source</b>	<b>677 460</b>	<b>96 771</b>	<b>252 605</b>	<b>148 260</b>	<b>147 466</b>	<b>573 767</b>	<b>81 950</b>	<b>70 073</b>	<b>328 650</b>	<b>79 362</b>	<b>79 362</b>	<b>79 362</b>	<b>79 362</b>	<b>982 930</b>	<b>982 930</b>	<b>1 022 218</b>
	<b>Cash Payments by Type</b>																
	Employee related costs	17 856	22 316	20 593	20 871	21 036	26 901	20 891	21 087	20 845	21 398	21 398	21 398	21 398	273 171	273 171	273 171
	Remuneration of councillors			911	480	311	321	273	296	300	677	677	677	677	8 606	8 606	9 122
	Interest														142	142	150
	Acquisitions - water & other inventory									(9)	2 476	2 476	2 476	2 476	31 081	31 081	32 510
	Contracted services										11 947	11 947	11 947	11 947	170 542	170 542	185 737
	Transfers and subsidies - other municipalities																
	Transfers and subsidies - other																
	Other expenditure	40 071	65 189	68 630	53 905	61 167	73 450	31 027	44 789	63 653	14 811	14 811	14 811	14 811	143 887	143 887	183 210
	<b>Cash Payments by Type</b>	<b>57 928</b>	<b>88 505</b>	<b>90 133</b>	<b>75 256</b>	<b>82 514</b>	<b>100 672</b>	<b>52 191</b>	<b>66 172</b>	<b>84 790</b>	<b>51 309</b>	<b>51 309</b>	<b>51 309</b>	<b>51 309</b>	<b>615 704</b>	<b>615 704</b>	<b>703 901</b>
	<b>Other Cash Flows/Payments by Type</b>																
	Capital assets	6 733	28 802	42 801	33 028	31 288	39 255	6 883	26 032	38 859	26 406	26 406	26 406	26 406	307 666	307 666	287 785
	Repayment of borrowing										200	200	200	200	2 400	2 400	2 400
	Other Cash Flows/Payments		117	612	319	1 194	4 161	1 175	653	567	1 000	1 000	1 000	1 000	15 000	15 000	15 000
	<b>Total Cash Payments by Type</b>	<b>64 660</b>	<b>117 424</b>	<b>133 545</b>	<b>108 613</b>	<b>114 996</b>	<b>144 088</b>	<b>60 248</b>	<b>92 858</b>	<b>124 215</b>	<b>78 914</b>	<b>78 914</b>	<b>78 914</b>	<b>78 914</b>	<b>946 972</b>	<b>946 972</b>	<b>1 019 095</b>
	<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>612 800</b>	<b>(20 653)</b>	<b>119 060</b>	<b>39 647</b>	<b>32 470</b>	<b>(429 679)</b>	<b>21 702</b>	<b>(22 785)</b>	<b>204 435</b>	<b>448</b>	<b>448</b>	<b>448</b>	<b>448</b>	<b>5 975</b>	<b>5 975</b>	<b>3 132</b>
	Cash/cash equivalents at the month/year beginning:	74 414	687 215	686 561	786 621	825 268	857 738	1 287 417	1 309 119	1 286 334	1 491 217	1 491 217	1 491 217	1 491 217	79 780	79 780	110 195
	Cash/cash equivalents at the month/year end:	687 215	666 561	785 621	825 268	857 738	1 287 417	1 309 119	1 286 334	1 490 769	1 491 217	1 491 217	1 491 217	1 491 217	79 780	79 780	110 195

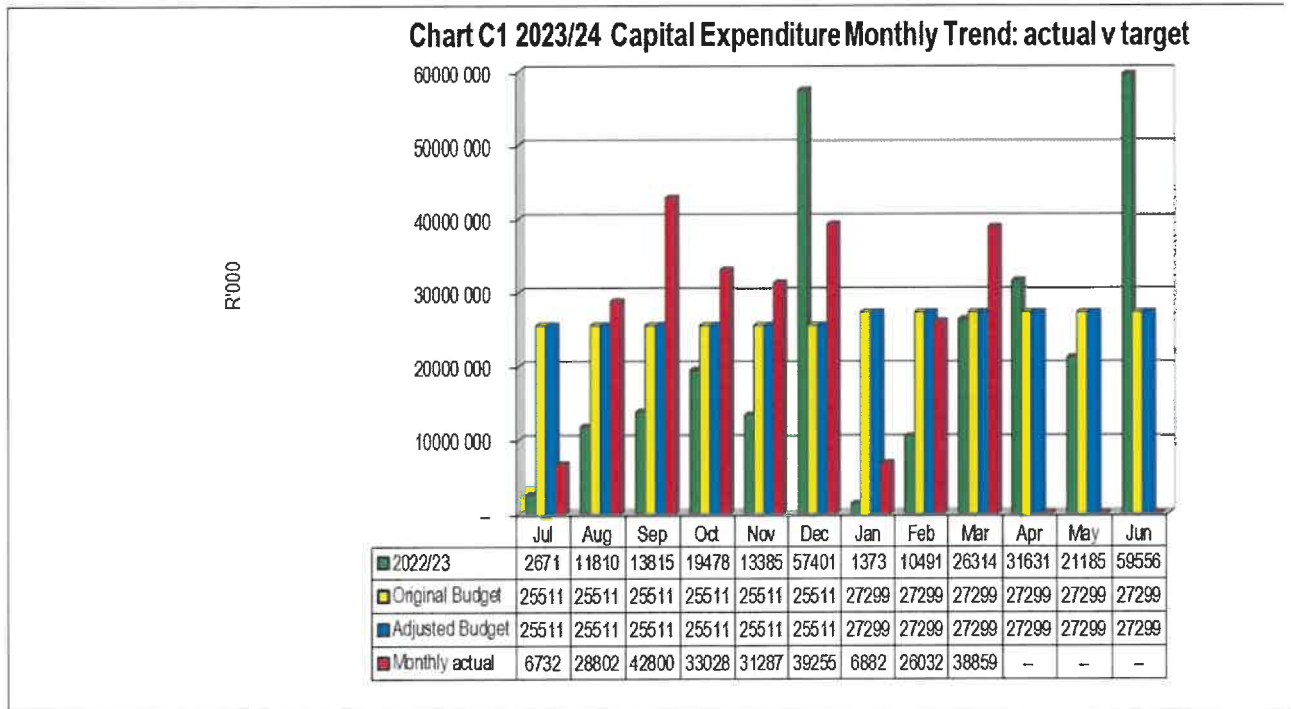


## Capital Expenditure Trend

DC43 Harry Gwala - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M09 March

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	2 672	25 512	25 512	6 733	6 733	25 512	18 779	73,6%	2%
August	11 810	25 512	25 512	28 802	28 802	51 024	22 221	43,6%	9%
September	13 816	25 512	25 512	42 801	42 801	76 535	33 735	44,1%	14%
October	19 479	25 512	25 512	33 028	33 028	102 047	69 019	67,6%	10%
November	13 386	25 512	25 512	31 288	31 288	127 559	96 271	75,5%	10%
December	57 401	25 512	25 512	39 255	39 255	153 071	113 815	74,4%	12%
January	1 374	27 300	27 300	6 883	6 883	180 370	173 488	96,2%	2%
February	10 492	27 300	27 300	26 032	26 032	207 670	181 637	87,5%	8%
March	26 315	27 300	27 300	38 859	38 859	234 970	196 110	83,5%	12%
April	31 631	27 300	27 300	-	-	262 269	262 269	100,0%	-
May	21 186	27 300	27 300	-	-	289 569	289 569	100,0%	-
June	59 557	27 299	27 299	-	-	316 868	316 868	100,0%	-
<b>Total Capital expenditure</b>	<b>269 118</b>	<b>316 868</b>	<b>316 868</b>	<b>253 681</b>					

## YTD Capital Budget vs. YTD Capital Expenditure



### Capital Expenditure on New Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M09 March

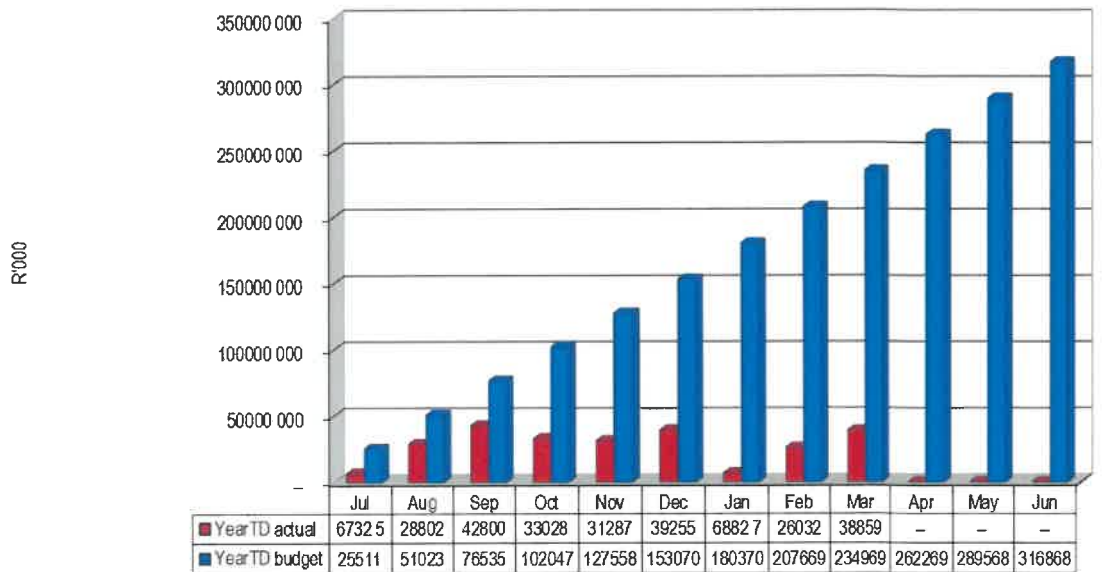
Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	247 862	262 045	284 533	37 505	238 563	209 379	(29 183)	-13,9%	284 533
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	203 327	191 477	228 755	27 808	188 241	163 171	(25 071)	-15,4%	228 755
Dams and Weirs	18 068	45 242	44 037	5 188	21 641	30 060	8 420	28,0%	44 037
Boreholes	37 187	33 539	6 230	-	3 346	4 568	1 221	26,7%	6 230
Reservoirs	-	-	-	-	-	-	-	-	-
Pump Stations	3 716	4 935	7 348	-	8 456	4 908	(3 549)	-72,3%	7 348
Water Treatment Works	267	-	-	-	-	-	-	-	-
Bulk Mains	45 795	16 056	50 695	9 352	45 595	36 870	(8 725)	-23,7%	50 695
Distribution	98 295	91 705	120 445	13 270	109 203	86 765	(22 438)	-25,9%	120 445
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	44 534	70 568	55 778	9 698	50 321	46 209	(4 113)	-8,8%	55 778
Pump Station	-	6 488	5 488	1 115	5 597	4 366	(1 232)	-28,2%	5 488
Reticulation	44 534	41 814	49 090	8 582	44 724	37 048	(7 676)	-20,7%	49 090
Waste Water Treatment Works	-	10 761	1 200	-	-	3 290	3 290	100,0%	1 200
Outfall Sewers	-	-	-	-	-	-	-	-	-
Toilet Facilities	-	11 505	-	-	-	1 505	1 505	100,0%	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	270	804	804	-	-	603	603	100,0%	804
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	270	804	804	-	-	603	603	100,0%	804
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	270	804	804	-	-	603	603	100,0%	804
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	410	742	1 060	-	599	698	100	14,3%	1 060
Computer Equipment	410	742	1 060	-	599	698	100	14,3%	1 060
<b>Furniture and Office Equipment</b>	1 293	2 602	3 461	105	1 181	2 398	1 217	50,7%	3 461
Furniture and Office Equipment	1 293	2 602	3 461	105	1 181	2 398	1 217	50,7%	3 461
<b>Machinery and Equipment</b>	7 430	8 810	8 810	-	1 314	6 608	5 294	80,1%	8 810
Machinery and Equipment	7 430	8 810	8 810	-	1 314	6 608	5 294	80,1%	8 810
<b>Transport Assets</b>	-	1 600	1 600	-	-	1 200	1 200	100,0%	1 600
Transport Assets	-	1 600	1 600	-	-	1 200	1 200	100,0%	1 600
<b>Total Capital Expenditure on new assets</b>	257 285	276 603	300 268	37 610	241 656	220 886	(20 770)	-9,4%	300 268

### Capital Expenditure on Renewal of Existing Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M09 March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	14 802	-	-	-	1 842	1 842	100,0%	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	14 802	-	-	-	1 792	1 792	100,0%	-
Dams and Weirs	-	-	-	-	-	-	-	-	-
Boreholes	-	-	-	-	-	-	-	-	-
Reservoirs	-	-	-	-	-	-	-	-	-
Pump Stations	-	-	-	-	-	-	-	-	-
Water Treatment Works	-	-	-	-	-	-	-	-	-
Bulk Mains	-	3 890	-	-	-	321	321	100,0%	-
Distribution	-	10 911	-	-	-	1 471	1 471	100,0%	-
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	50	50	100,0%	-
Pump Station	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	50	50	100,0%	-
<b>Machinery and Equipment</b>	-	135	135	-	-	101	101	100,0%	135
Machinery and Equipment	-	135	135	-	-	101	101	100,0%	135
<b>Transport Assets</b>	6 259	5 400	7 025	-	2 557	4 862	2 305	47,4%	7 025
Transport Assets	6 259	5 400	7 025	-	2 557	4 862	2 305	47,4%	7 025
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>6 259</b>	<b>20 336</b>	<b>7 159</b>	<b>-</b>	<b>2 557</b>	<b>6 805</b>	<b>4 248</b>	<b>62,4%</b>	<b>7 159</b>

Chart C2 2023/24 Capital Expenditure: YTD actual v YTD target



## Expenditure on Repairs and maintenance by Asset Class

DC43 Harry Gwala - Supporting Table SC13c Consolidated Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 March

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	45 120	46 093	43 410	1 282	26 126	33 015	6 889	20,9%	43 410
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	45 120	46 093	43 410	1 282	26 126	33 015	6 889	20,9%	43 410
Dams and Weirs	-	-	-	-	-	-	-	-	-
Boreholes	-	-	-	-	-	-	-	-	-
Reservoirs	26 400	23 439	23 556	243	15 393	17 638	2 244	12,7%	23 556
Pump Stations	11 207	12 402	10 402	481	5 152	8 301	3 149	37,9%	10 402
Water Treatment Works	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	7 514	10 252	9 452	548	5 580	7 076	1 496	21,1%	9 452
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	63	73	73	-	-	55	55	100,0%	73
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	63	73	73	-	-	55	55	100,0%	73
Indoor Facilities	63	73	73	-	-	55	55	100,0%	73
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	4 008	5 459	5 046	57	3 280	3 888	607	15,6%	5 046
Operational Buildings	4 008	5 459	5 046	57	3 280	3 888	607	15,6%	5 046
Municipal Offices	4 008	5 459	5 046	57	3 280	3 888	607	15,6%	5 046
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	17	125	50	-	16	52	36	69,4%	50
Computer Equipment	17	125	50	-	16	52	36	69,4%	50
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	3 055	-	-	-	-	-	-	-	-
Machinery and Equipment	3 055	-	-	-	-	-	-	-	-
<b>Transport Assets</b>	204	241	109	-	49	227	178	78,4%	109
Transport Assets	204	241	109	-	49	227	178	78,4%	109
<b>Total Repairs and Maintenance Expenditure</b>	<b>52 468</b>	<b>51 991</b>	<b>48 689</b>	<b>1 338</b>	<b>29 471</b>	<b>37 237</b>	<b>7 766</b>	<b>20,9%</b>	<b>48 689</b>

## 2.7 Municipal Manager's Quality's Certificate

### Quality Certificate

I, Gamakulu Ma'art Sineke, the Municipal Manager of Harry Gwala District Municipality, hereby certify that-

- The monthly budget statement
- the quarterly report on the implementation of the budget in terms of s52 (d) of the MFMA

For the month of March 2024 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Gamakulu Ma'art Sineke

Municipal Manager of: Harry Gwala District Municipality

Signed \_\_\_\_\_

Date \_\_\_\_\_

