

**31 MARCH 2021**

**Third Quarter Budget Performance  
Assessment Report (Section 52 Report)**

**Fetakgomo Tubatse Local  
Municipality**

**LM 476**

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**FFAKGOMO - TUBATSE  
LOCAL MUNICIPALITY**



**Municipal Manager Quality Certification**

I, NW Phala the Municipal Manager of Fetakgomo Tubatse Local Municipality, hereby

Certify that -

- the second Quarter report on the implementation of the budget and financial state affairs of the municipality

For the period ended **MARCH 2021** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name:

Nisihane Walter Pitso

Municipal Manager of Fetakgomo Tubatse Local Municipality

Signature

[Handwritten Signature]

Date

01/09/2021

# BUDGET AND TREASURY OFFICE

To : The Mayor

: Provincial Treasury

: National Treasury

: Cooperative Governance Human Settlement and Traditional Affairs

: All Strategic Managers

: Staff

: Interested Members of the Community

: Any other stakeholder

**SUBJECT: THIRD QUARTER ASSESSMENT REPORT FOR THE PERIOD ENDED 31 MARCH 2021**

## PURPOSE

The purpose of this report is to comply with section 72 of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009 (Municipal Budgeting Monitoring and Reporting Regulations: MBMRR)

## STRATEGIC OBJECTIVE

To provide up to date financial and non-financial information to all interested parties as prescribed by MFMA.

## BACKGROUND

In terms of section 65 of Municipal Finance Management Act no 56 of 2003, (2) the Accounting Officer must take all reasonable steps to ensure that (a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorization, withdrawal and payment of funds.

Section 52 (d) of the MFMA must within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and financial state of affairs of the municipality. For the reporting period ending 31 March 2021, the thirty day reporting limit expires on 25 January 2021.

Section 71 of the MFMA states that (1) 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

**EXECUTIVE SUMMARY**

**1. INTRODUCTION**

The monthly budget statement is prescribed in the MFMA and seeks to report on the implementation of the adopted IDP and budget.

The report covers revenue performance, operating expenditure performance, capital expenditure performance, and grant received and grants spend, cash flow, financial position, and investment portfolio, and external loans, debtors and creditors age analysis.

The tables are also prescribed by the MFMA with intention to bring comparability of financial and non-financial information across all municipalities. The report must be read together with the SDBIP for better understanding.

The budget monitoring and reporting office relies on various internal stakeholders to provide information for these reports.

The financial result for the period ending **31 March 2021** are summarised as follows;

Statement of Financial Performance					
Description	ANNUAL BUDGET	ADJUSTED BUDGET	YTD Budget (R'000)	YTD Actual (R'000)	Variance% R'000
Total Revenue excluding capital receipts	678 206	782 929	582 194	564 310	3%
Total Operating Expenditure	607 085	663 435	493 363	459 573	7%
Operating surplus / (deficit)	71 121	119 494	104 737	88 831	-9%

The annual budget for 2020/21 has an operating surplus of R 71 121 million while the adjusted budget shows a surplus of R 119 494 million. Operating revenue excluding capital receipts amounted to R 564 million while operating expenditure amounted to R 493 million. Revenue performance for the year to date amounted to R 564 million while expenditure for the year to date amounted to R 493 million.



- The 3rd quarter actual expenditure amounts to R459 million whilst the planned expenditure was estimated at R493 million. The results reflect an underspending of R33 million (7 per cent) against the planned targets.

Description	2019/20		Budget Year 2020/21		Budget Year 2020/21		YTD variance	YTD variance %	Forecast
	Audited	Outcome	Actual	Budget	Actual	Budget			
Expenditure By Type	175 835	200 681	138 028	14 627	138 028	150 002	(11 875)	-0%	159 256
Employee related costs	31 952	35 685	22 221	2 502	22 221	26 754	(4 543)	-17%	36 685
Remuneration of councillors	92 971	41 689	149 875	865	149 875	31 268	118 608	379%	41 689
Debt impairment	105 980	89 877	-	-	-	67 328	(67 328)	-100%	89 877
Depreciation & asset impairment	843	955	2	2	2	998	(954)	-100%	1 355
Finance charges	1 788	6 657	5 772	47	5 772	6 876	(1 104)	-16%	9 757
Bulk purchases	98 054	145 508	19 734	19 734	99 767	137 846	(38 079)	-28%	192 718
Other materials	64 582	84 661	43 468	6 407	43 468	71 116	(27 649)	-39%	88 084
Transfers and subsidies	845	1 372	444	11	444	1 169	(725)	-62%	1 722
Contracted services	3 688	-	-	-	-	-	-	-	-
Other expenditure	607 085	659 941	44 197	-	44 197	493 383	(33 790)	-7%	559 841
Losses	-	-	-	-	-	-	-	-	-
Total Expenditure	576 558	607 085	459 573	44 197	459 573	493 383	(33 790)	-7%	559 841

LIM476 Tubatse Fetakgomo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter

The 3rd quarter expenditure per type is as follows:

### 1.3 3rd QUARTER OPERATING EXPENDITURE PERFORMANCE

- Interest Earned External Investment** shows an under collection of 43%. This emanates from a drop in interest rate on investment in call accounts due to the pandemic. A projected return on investment was estimated at 9.5% whereas only 4.5% was actually earned. The projections has to be adjusted according during the adjustment budget.
- Interest Earned Outstanding debtors** underperformed by 27% as a result of provision made for debt impairment on government debts. The revenue stream has to be adjusted accordingly during the adjustment budget.
- There is an under collection mainly on **Licenses and permits** of 75 per cent (R 6 million) against the planned budget of R 9, 2 million. This was due to construction of the station at Praktiseer offices which was temporarily closed for refurbishment. The revenue source will improve during the 4th quarter as the station is now 100% complete.
- Agency fees** underperformed by 4 per cent against the planned budget target of R3, 736 million. This amount is informed by the collection rate above as the municipality receives 20% of collection from motor vehicle registration.
- Revenue from non-exchange transaction**
- Fines, Penalties and forfeits** under performed by 100 per cent. This emanates from late processing or raising of debtors to this revenue stream. The debtors were only raised in January 2021. Adequate internal controls has to be set in order to address the understatement of this revenue stream.
- The **transfers recognized from operational grants** (FMG and EPWP) which over performed during the duration of the quarter.
- Other revenue** shows an under collection 79% as a result of sale of stands projected at R 2 million which was anticipated to be collected during the 3rd quarter of the year.

- The underspending of R 33 million on the operating expenditure is mainly due to the following:
- **Employee Costs** shows an under spending of 8% as compared to the planned expenditure of R150 Million. The under spending emanates unfilled posts of Section 57 managers and other critical posts not yet filled.
- **Remuneration for Councilors** shows an under spending of 17% as a result of upper limits for councilors projected but not yet paid. The spending will improve during the 4<sup>th</sup> quarter of the year.
- **Debt Impairment** shows over spending of more than 100% due to provision made for businesses and households being unable to pay rates due to the pandemic. The expenditure will be revised accordingly during adjustment budget.
- **Finance Charges** shows under spending as a result of interest on overdue accounts which were not incurred as at mid-year and interest on government loan which was paid during October 2020. The expenditure incurred will be updated during the third quarter.
- **Depreciation and Asset Impairment** where not provided for during the mid-year. This was as result of process of integration between the financial system (SOLAR) and the new asset system. The spending will improve during the 3<sup>rd</sup> quarter.
- **Other Materials** shows over spending of 16% as compared to the targeted budget of R 4 million. This was due to the COVID 19 PPEs which were procured in large quantities to combat the pandemic. The expenditure items will be revised accordingly during the adjustment budget.
- **Contracted Services** shows an under spending of 28% as compared to the planned year to date budget of R137 million. The under spending was mainly due to repairs and Maintenance of facilities which was due during the third quarter and other contracted services (Mayoral Programmes) which were not implemented due to the pandemic. The spending patterns in this regard will improve during the last quarter of the year.
- **Transfers and Subsidies** shows an under spending of 62% as a result of Social relief expenditure which was not incurred as anticipated as there was no disaster which emerged during the quarter except the pandemic which was separately budgeted. The spending will improve during the 4<sup>th</sup> quarter.
- **Other Expenditure** shows that there is an under spending of 39% as compared to the planned targets as results of under spending on operational costs which were not spend due to the pandemic.
- The 3<sup>rd</sup> quarter operating results in a surplus of R88 million.
- The planned targets shows an overall improved financial performance.

### 1.4. Capital Budget Performance

LM476 Tubatse Fetakgomo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q3 Third Quarter

Vote Description	Rel	Budget Year 2020/21							R thousands	
		2019/20	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget		
<b>Capital Expenditure - Functional Classification</b>	1	53 097	66 889	129 000	2 757	79 802	90 488	(10 683)	-12%	129 000
Governance and administration		-	1 150	1 450	-	1 073	(1 073)	(1 073)	-100%	1 450
Finance and administration		53 097	65 539	127 550	2 757	79 802	89 413	(9 611)	-11%	127 550
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1 921	3 900	1 000	-	420	1 765	(1 345)	-76%	1 000
Sport and recreation		1 921	3 900	1 000	-	420	1 765	(1 345)	-76%	1 000
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		30 392	74 604	126 623	6 494	26 458	76 761	(50 303)	-65%	126 623
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		30 392	74 604	126 623	6 494	26 458	76 761	(50 303)	-65%	126 623
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		375	5 700	10 890	1 111	1 111	6 351	(5 240)	-83%	10 890
Energy sources		375	5 700	10 890	1 111	1 111	6 351	(5 240)	-83%	10 890
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		375	5 700	1 900	-	-	2 755	(2 755)	-100%	1 900
<b>Total Capital Expenditure - Functional Classification</b>	3	85 785	150 893	267 514	10 363	107 791	175 362	(67 571)	-39%	267 514
<b>Funded by:</b>										
National Government		59 208	79 507	109 056	3 850	30 362	71 485	(41 123)	-58%	109 056
Provincial Government		11 407	-	28 257	3 856	3 856	11 303	(7 493)	-65%	28 257
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departments)		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit institutions, Private		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		70 614	79 607	137 314	7 547	34 258	82 788	(48 530)	-59%	137 314
Borrowing	5	15 170	71 285	130 200	2 816	73 533	92 574	(19 041)	-21%	130 200
Internally generated funds		85 785	150 893	267 514	10 363	107 791	175 362	(67 571)	-39%	267 514

- The actual capital expenditure as at 3rd quarter ended March 2021 shows an underspending of R 67 million (39 per cent) from planned target of R175 million, the aggregate actual expenditure amounted to R107 million.
- Capital grant expenditure MIG to date amounts to R 33,066 million and shows 29% spending of the total allocation of R112, 852.
- Project from own funding expenditure to date amounts to R73, 533 million and percentage spent is 56% of the total budget of R130, 200 million.



DETAILED CAPITAL EXPENDITURE PERFORMANCE									
NAME OF PROJECT	BUDGET 2021	MONTHLY EXP	COMMITMENTS	YTD EXPENDITURE	PERCENTAGE				
OWN FUNDING PROJECTS	28 257 298,00	299 082,00	-	4 195 516,48	15%				
DISTRESS MINING TOWN	3 262 314,00	-	-	1 111 004,66	34%				
BURGERSFORT EXT 71 AND 72 SEWER RETICUL	5 227 786,00	-	-	1 111 004,66	21%				
BURGERSFORT EXT 54 STORM WATER	5 227 786,00	-	-	672 318,37	13%				
BURGERSFORT EXT 58 ROAD	4 394 091,00	-	-	666 234,72	15%				
BURGERSFORT EXT 71 AND 72 ROAD	858 157,00	224 082,00	-	666 234,72	78%				
BURGERSFORT EXT 54 ROAD	14 014 960,00	75 000,00	-	1 545 958,73	11%				
OWN FUNDING PROJECTS	28 257 298,00	299 082,00	-	4 195 516,48	15%				
FURNITURE FURNITURE /OFFICE EQUIPMENTS	1 000 000,00	254 190,00	-	338 849,09	34%				
CLEANING EQUIPMENT - REGIONAL OFFICE	300 000,00	-	-	44 950,00	15%				
COMPUTER HARDWARES	1 200 000,00	-	-	338 251,62	28%				
DEVELOPMENT OF FIRE PLANS	500 000,00	-	-	-	0%				
ESTABLISHMENT OF MAIN CONTROL ROOM	1 000 000,00	-	-	-	0%				
ESTABLISHMENT OF RADIO CONTROL ROOM	1 000 000,00	-	-	-	0%				
DRILLING AND EQUIPING OF BOREHOLES	250 000,00	-	-	144 570,00	58%				
REFURBISHMENT OF BUILDINGS	67 500 000,00	-	-	59 262 175,58	88%				
CONSTRUCTION OF TOILETS	150 000,00	-	-	-	0%				
CONSTRUCTION OF GUARD ROOM	150 000,00	-	-	-	0%				
PURCHASE OF RECORDS MANAGEMENT SYSTEM	200 000,00	-	-	-	0%				
PURCHASE OF FILING AND STORAGE SYSTEM	500 000,00	-	-	-	0%				
ELECTRIFICATION OPERATION MABONE	29 000 000,00	780 504,24	-	10 568 506,29	36%				
SECURITY EQUIPMENTS	300 000,00	-	-	-	0%				
FIRE ARM SAFES	100 000,00	-	-	-	0%				
INSTALLATION OF CCTV CAMERAS	1 500 000,00	-	-	-	0%				
PLANNING OF INTERNAL STREETS	4 500 000,00	-	-	-	0%				
PLANNING OF INTERNAL STR - PRAKTISEER	600 000,00	-	-	-	0%				
STRIKAL COMMUNITY HALL INTERNAL STREET	600 000,00	-	-	-	0%				
NKONJA COMMUNITY HALL INTERNAL STREET	1 800 000,00	96 258,89	-	718 898,98	40%				
NCHABELENG COMMUNITY HALL INTL STREET	1 800 000,00	-	-	568 368,62	32%				
ACCESS ROAD AT MALOGENG LANDFILL SITE	1 000 000,00	-	-	-	0%				
ERECTION OF TUBATSE HIGHMASTTUGHTS	4 200 000,00	-	-	-	0%				
CONSTRUCTION - LEBONGACCESSROAD	34 137 919,00	-	-	8 821 719,95	26%				
CONSTR- PRAKTISEER STORM WATER	2 683 272,00	-	-	-	0%				
CONSTRUCTION - MASHUNG INTERNAL STREET	20 649 230,00	2 223 509,44	-	3 313 992,02	16%				
MAGAKALA ACCESS BRIDGE	30 756 015,00	-	-	5 934 690,60	19%				
MAGOTWANENG ACCESS BRIDGE	8 429 414,00	1 164 920,64	-	7 649 936,40	91%				
HIGHMAST TUGHTS - PHASE 1	1 500 000,00	-	-	149 765,73	10%				
REHABILITATION OF INTERNAL WATER SYSTEM	400 000,00	-	-	-	0%				
MOTODI SPORTS COMPLEX	3 500 000,00	-	-	1 125 654,06	30%				
RADINOGANA SPORT FACILITIES	2 200 000,00	-	-	-	0%				
MAPODI SPORTS FACILITIES	3 900 000,00	-	-	-	0%				
ONGISTAD SPORTS COMPLEX - PHASE 2	400 000,00	-	-	-	0%				
CONST- MOTODI SPORTS COMPLEX	8 200 358,00	-	-	8 030 472,95	98%				
PURCHASE OF MOBILE BALUNING MACHINES	400 000,00	-	-	139 999,99	35%				
SOFTWARE FOR CEMETRY	200 000,00	-	-	92 500,00	46%				
REHABILITATION OF VTS - MABOPH	1 500 000,00	-	-	28 760,00	2%				
TRANSFER STATION	100 000,00	-	-	-	0%				
COMMERCIALIZATION OF PARK	200 000,00	-	-	140 000,00	70%				
REHABILITATION OF BURGERSFORT TAXI RANK	100 000,00	-	-	-	0%				
FENCING OF REGIONAL CEMETRY	100 000,00	-	-	-	0%				
DEVELOPMENT OF REGIONAL CEMETRY	100 000,00	-	-	-	0%				
FENCING OF STEELPORT	100 000,00	-	-	-	0%				
BURGERSFORT LANDFILL SITE (PPP)	1 000 000,00	-	-	-	0%				
BURGERSFORT LANDFILL SITE	500 000,00	-	-	-	0%				
LINKING GIS WITH BILLING SYSTEM	1 200 000,00	143 478,26	-	793 913,04	66%				
	267 513 506,00	4 408 671,47	-	63 858,03	2%				
				108 115 610,94	40%				

**1.5 CASH FLOW**

LM1478 Tubatse Fetakgomo - Table C7 Monthly Budget Statement - Cash Flow - Q3 Third Quarter

Description	2019/20		Budget Year 2020/21			
	Ref	1	Actual	Adjusted	Monthly	YearTD
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
Receipts						
Property rates			31 593	15 914	201 885	23 695
Service charges			9 356	940	5 930	7 017
Other revenue			(970 118)	125 079	228 725	(727 589)
Transfers and Subsidies - Operational			557 280	316	(591)	417 960
Transfers and Subsidies - Capital			-	-	49 297	49 297
Interest			-	355	2 488	2 488
Dividends			-	-	-	-
Payments						
Suppliers and employees			(618 183)	(30 471)	(325 754)	(493 637)
Finance charges			-	-	-	-
Transfers and Grants			-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			(990 071)	112 133	181 969	(742 553)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Receipts						
Proceeds on disposal of PPE			-	-	-	-
Decrease (increase) in non-current receivables			-	-	-	-
Decrease (increase) in non-current investments			-	-	-	-
Payments						
Capital assets			(116 620)	(10 263)	(104 767)	(87 465)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			(116 620)	(10 263)	(104 767)	(87 465)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts						
Short term loans			-	-	-	-
Borrowing long term/financing			(40 000)	-	-	(30 000)
Increase (decrease) in consumer deposits			-	-	-	-
Payments						
Repayment of borrowing			-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			(40 000)	-	-	(30 000)
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>			(1 146 692)	101 770	57 222	(850 019)
Cash/cash equivalents at beginning			94 179	180 582	224 843	213 363
Cash/cash equivalents at monthly year end:			94 179	180 582	270 565	(660 019)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			(1 146 692)	101 770	57 222	(850 019)
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<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts						
Short term loans			-	-	-	-
Borrowing long term/financing			(40 000)	-	-	(30 000)
Increase (decrease) in consumer deposits			-	-	-	-
Payments						
Repayment of borrowing			-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			(40 000)	-	-	(30 000)
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>			(1 146 692)	101 770	57 222	(850 019)

- The cash and cash equivalents balance as at 3<sup>rd</sup> Quarter ended March 2021 shows R 270,585 million. The positive cash and cash equivalent of R 270,585 million is as a result of net cash used from operating activities amounting to R252,691 million, cash used for investing activities amounting to R104,767 million.
- As at 31 March 2021 the Municipality had total cash and investment to tune of R281 984 556, 76.

**1.6 DEBTORS**

The debtors report has been prepared on the basis of the format required to be lodged electronically with the National Treasury. This format provides an extended aged analysis, as well as an aged analysis by debtor type. The summary report indicates that customers owe the municipality a staggering R 427 million of which R 396 million is more than 90 days old. The bulk of the debt relates to refuse removal and property rates.

LIM476 Tubatse Fetakgomo - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q3 Third Quarter

Description	NT Code	Budget Year 2020/21										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.L. Council Polle	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dps	151-180 Dps	181 Dps-1 Yr	Over 1Yr	Total					
<b>R thousands</b>															
<b>Debtors Age Analysis By Income Source</b>															
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	9 043	5 826	4 565	3 404	3 201	3 132	30 709	169 394	-	-	209 840			
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-			
Receivables from Exchange Transactions - Waste Management	1600	1 758	1 662	1 503	1 466	1 451	1 433	8 464	73 110	90 837	85 924				
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-				
Interest on Arrear Debtor Accounts	1810	2 032	1 974	1 955	1 925	1 892	2 458	13 657	75 800	101 693	95 732				
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-				
Other	1900	176	308	93	231	137	152	525	4 270	5 891	5 314				
<b>Total By Income Source</b>	<b>2000</b>	<b>13 009</b>	<b>9 760</b>	<b>8 117</b>	<b>7 025</b>	<b>6 681</b>	<b>7 176</b>	<b>53 354</b>	<b>322 573</b>	<b>427 695</b>	<b>396 809</b>				
<b>2019/20 - totals only</b>															
<b>Debtors Age Analysis By Customer Group</b>															
Organs of State	2200	1 157	1 117	877	835	646	1 230	17 051	67 144	90 056	86 905				
Commercial	2300	6 703	4 033	3 167	2 444	2 373	2 357	13 977	74 881	109 935	96 033				
Households	2400	5 021	4 430	3 984	3 605	3 562	3 501	22 043	178 519	224 664	211 230				
Other	2500	129	180	89	141	100	87	294	2 029	3 040	2 641				
<b>Total By Customer Group</b>	<b>2600</b>	<b>13 009</b>	<b>9 760</b>	<b>8 117</b>	<b>7 025</b>	<b>6 681</b>	<b>7 176</b>	<b>53 354</b>	<b>322 573</b>	<b>427 695</b>	<b>396 809</b>				

- The payment level for 3<sup>rd</sup> quarter reflects a collection rate of 77% compared to total levies.

## 1.7 CREDITORS

LIM476 Tubatse Fetakgomo - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q3 Third Quarter

Description	NT Code	Budget Year 2020/21								Prior year totals for chart (same period)		
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		Total	
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700	4 612	911	270	2 243						8 036	
Auditor General	0800										-	
Other	0900										-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>4 612</b>	<b>911</b>	<b>270</b>	<b>2 243</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8 036</b>	<b>-</b>

- As at end of March 2021 the outstanding creditors were standing at R8,036 million as per financial system

3 INVESTMENT PORTFOLIO

LIM476 Tubaise Fetakgomo - Supporting Table SCS Monthly Budget Statement - investment portfolio - Q3 Third Quarter

Investments by maturity Name of Institution & Investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
Municipality														
FNB		MONTHS	CALL	YES	VARIABLE					82	0			82
STANDARD BANK		MONTHS	CALL	YES	VARIABLE					153 763	452			154 215
STANDARD BANK		MONTHS	CALL	YES	VARIABLE					12 474	24			12 498
Municipality sub-total										166 320	475			166 795
Entities														
Entities sub-total										-				-
TOTAL INVESTMENTS AND INTEREST	2									166 320				166 795

- Council's investment portfolio as at end of 3rd Quarter ended March 2021 indicates R166, 795 million was invested in various Call accounts as stipulated above.





- That, the report is in compliance with, Section 52 of the MFMA regarding the "Local Government: Municipal Finance Management Act 2003 and Municipal Budget and Reporting Regulations" monthly financial results regarding the operating and capital budgets.
- This report is submitted to the Mayor of the municipality, the provincial treasury and national treasury by 25<sup>th</sup> April 2021.
- That all unit/divisions in the municipality should review service delivery targets in line with the 3rd quarter performance.
- That the report is made public in compliance to section 75 of the MFMA.

**1.12 RECOMMENDATION**

- The performance assessment conducted and detailed provided above reflects that internal controls will need to be strengthened to ensure that the challenges of over / under-collection on revenue , operating expenditure items, underperformance on cash flow and capital expenditure are addressed.

**1.11 CONCLUSION**

- Debtors' age analysis shows that the municipality is not collecting the billed revenue .The debtor's book continue to increase tragically which will lead to under collection of revenue as oppose to the budgeted revenue.
- This report shows various risk which must be attended to. This includes the following;

**1.10 RISKS AND CHALLENGES**

- For the quarter ended March 2021, the total salaries, allowances and benefits for employees and Councilors paid amounted to R137, 871 million and R 22,221 million respectively. The percentage spent to date is 69% for employees and 62% councilors against the budget of R199 million and R 35 million respectively.

**1.9 COUNCILLORS AND EMPLOYEE COSTS**



- (a) Table SC1: Material variance explanations
- (b) Table SC2: Monthly Budget Statement – Performance Indicators
- (c) Table SC3: Monthly Budget Statement – Aged Debtors
- (d) Table SC4: Monthly Budget Statement – Aged Creditors
- (e) Table SC5: Monthly Budget Statement – Investment Portfolio
- (f) Table SC6: Monthly Budget Statement – Transfers and grant receipts
- (g) Table SC7: Monthly Budget Statement – Transfers and grant expenditures
- (h) Table SC8: Monthly Budget Statement – Councillor and Staff Benefits
- (i) Table SC9: Monthly Budget Statement – Actual and Revised targets for cash receipts
- (j) Table SC12: Monthly Budget Statement – Capital Expenditure Trend
- (k) Table SC13a: Monthly Budget Statement – Capital expenditure on new assets by asset class
- (l) Table SC13c: Monthly Budget Statement – Capital expenditure on repairs and maintenance by asset class
- (m) Municipal manager's quality certification

Part 2

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

The quarterly financial results for the period ended 31 March 2021 are attached consisting of the following tables, in Annexure A:

MONTHLY BUDGET STATEMENT TABLES

PART 2

Description		Budget Year 2020/21												
R thousands	Financial Performance	2019/20		2020/21		2020/21		2020/21		2020/21		2020/21		
		Audited	Outcome	Original	Budget	Adjusted	Actual	Monthly	Actual	YearTD	Budget	YearTD	YTD	Forecast
	Property rates	112 040	121 787	121 787	9 282	9 282	9 282	9 282	9 282	9 282	9 282	9 282	9 282	9 282
	Service charges	21 792	25 921	25 921	1 952	1 952	1 952	1 952	1 952	1 952	1 952	1 952	1 952	1 952
	Investment revenue	9 952	10 466	10 466	355	355	355	355	355	355	355	355	355	355
	Transfers and subsidies	420 838	456 109	456 109	550 832	113 263	424 700	424 700	424 700	424 700	424 700	424 700	424 700	424 700
	Other own revenue	60 443	63 503	63 503	64 486	2 389	25 843	25 843	25 843	25 843	25 843	25 843	25 843	25 843
	Total Revenue (excluding capital transfers and contributions)	625 082	678 206	678 206	783 513	127 242	564 310	564 310	564 310	564 310	564 310	564 310	564 310	564 310
	Employee costs	175 835	200 681	199 256	14 827	138 026	150 002	150 002	150 002	150 002	150 002	150 002	150 002	150 002
	Remuneration of Councilors	31 962	35 685	35 685	2 502	22 221	26 764	26 764	26 764	26 764	26 764	26 764	26 764	26 764
	Depreciation & asset impairment	105 980	89 877	89 877	69 677	-	67 328	67 328	67 328	67 328	67 328	67 328	67 328	67 328
	Finance charges	643	955	1 365	2	2	996	996	996	996	996	996	996	996
	Materials and bulk purchases	1 788	5 657	9 757	47	5 772	6 876	6 876	6 876	6 876	6 876	6 876	6 876	6 876
	Transfers and subsidies	845	1 372	1 722	11	444	1 169	1 169	1 169	1 169	1 169	1 169	1 169	1 169
	Other expenditure	259 305	271 858	322 490	27 007	293 108	240 229	240 229	240 229	240 229	240 229	240 229	240 229	240 229
	Total Expenditure	576 558	607 085	659 941	44 197	459 573	493 363	493 363	493 363	493 363	493 363	493 363	493 363	493 363
	Surplus/(Deficit)	48 524	71 121	123 572	83 045	104 737	88 831	88 831	88 831	88 831	88 831	88 831	88 831	88 831
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	108 377	83 757	113 066	5 586	40 957	74 555	74 555	74 555	74 555	74 555	74 555	74 555	74 555
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	3	28 309	2 848	12 454	11 325	11 325	11 325	11 325	11 325	11 325	11 325	11 325
	Surplus/(Deficit) after capital transfers & contributions	156 901	154 922	254 947	91 480	158 158	174 711	174 711	174 711	174 711	174 711	174 711	174 711	174 711
	Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-
	Surplus/ (Deficit) for the year	156 901	154 922	254 947	91 480	158 158	174 711	174 711	174 711	174 711	174 711	174 711	174 711	174 711
	Capital expenditure	85 785	150 893	267 514	10 363	107 791	175 362	175 362	175 362	175 362	175 362	175 362	175 362	175 362
	Capital transfers recognised	70 614	79 607	137 314	7 547	34 258	82 788	82 788	82 788	82 788	82 788	82 788	82 788	82 788
	Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-
	Internally generated funds	15 170	71 286	130 200	2 816	73 533	92 574	92 574	92 574	92 574	92 574	92 574	92 574	92 574
	Total sources of capital funds	85 785	150 893	267 514	10 363	107 791	175 362	175 362	175 362	175 362	175 362	175 362	175 362	175 362
	Financial position	271 921	454 546	410 521	270 828	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385
	Total current assets	271 921	454 546	410 521	270 828	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385
	Total non current assets	3 996 014	4 112 627	4 112 627	252	219 087	252	252	252	252	252	252	252	252
	Total current liabilities	258 718	275 094	(18 588)	219 087	219 087	219 087	219 087	219 087	219 087	219 087	219 087	219 087	219 087
	Total non current liabilities	11 741	56 968	8 584	252	252	252	252	252	252	252	252	252	252
	Community wealth/equity	2 197 296	4 159 247	4 348 212	2 389 582	2 389 582	2 389 582	2 389 582	2 389 582	2 389 582	2 389 582	2 389 582	2 389 582	2 389 582
	Cash flows	271 921	454 546	410 521	270 828	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385	2 428 385
	Net cash from (used) operating	-	-	(990 071)	112 133	(104 767)	(87 465)	(87 465)	(87 465)	(87 465)	(87 465)	(87 465)	(87 465)	(87 465)
	Net cash from (used) investing	-	-	(116 620)	(10 363)	(104 767)	(87 465)	(87 465)	(87 465)	(87 465)	(87 465)	(87 465)	(87 465)	(87 465)
	Net cash from (used) financing	-	-	(40 000)	-	-	-	-	-	-	-	-	-	-
	Cash/cash equivalents at the month/year end	94 179	180 582	(921 849)	270 585	270 585	(860 019)	(860 019)	(860 019)	(860 019)	(860 019)	(860 019)	(860 019)	(860 019)
	Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dps-	Over 1 Yr	Total				
	Debtors Age Analysis	13 009	9 780	8 117	7 025	6 681	7 176	53 354	322 573	427 695				
	Total By Income Source	13 009	9 780	8 117	7 025	6 681	7 176	53 354	322 573	427 695				
	Creditors Age Analysis	4 612	911	270	2 243	-	-	-	-	8 036				
	Total Creditors	4 612	911	270	2 243	-	-	-	-	8 036				

LM1476 Tubatse Fetkomo - Table C1 Monthly Budget Statement Summary - Q3 Third Quarter

Description	2019/20				Budget Year 2020/21				
	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	
<b>Revenue - Functional</b>	1								
Government and administration		703 784	729 455	891 735	133 149	643 431	(48 247)	-7%	
Excutive and council		703 784	729 455	891 735	133 149	643 431	(48 247)	-7%	
Internal audit		-	-	-	-	-	-	-	
Finance and public safety		621	160	160	11	59	(62)	-51%	
Community and social services		621	160	160	11	59	(62)	-51%	
Sport and recreation		-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	
Economic and environmental services		294	4	637	(22)	207	256	(49)	
Planning and development		294	4	637	(22)	207	256	(49)	
Road transport		-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	
Trading services		28 760	32 357	2 539	22 282	24 267	(1 986)	-8%	
Energy sources		-	-	-	-	-	-	-	
Water management		-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	
Waste management		28 760	32 357	2 539	22 282	24 267	(1 986)	-8%	
Other	4	-	-	-	-	-	-	-	
<b>Total Revenue - Functional</b>	2	733 459	762 007	924 888	135 677	617 731	668 074	(50 343)	-8%
<b>Expenditure - Functional</b>									
Government and administration		520 142	526 888	559 305	36 089	406 579	419 789	(11 210)	-3%
Excutive and council		44 141	100 542	115 567	12 186	69 981	83 139	(13 158)	-16%
Finance and administration		476 001	426 346	443 739	23 903	338 598	335 650	1 947	1%
Internal audit		-	-	-	-	-	-	-	
Community and public safety		9 021	11 448	13 889	602	8 544	10 313	(1 769)	-17%
Community and social services		9 021	11 448	13 889	602	8 544	10 313	(1 769)	-17%
Sport and recreation		-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	
Economic and environmental services		32 975	52 821	62 469	5 618	30 975	46 105	(15 130)	-33%
Planning and development		10 355	15 060	13 301	1 065	6 523	10 592	(4 069)	-30%
Road transport		22 620	37 561	49 168	4 533	24 452	35 514	(11 061)	-31%
Environmental protection		-	-	-	-	-	-	-	
Trading services		14 420	16 128	24 278	1 887	11 475	17 156	(5 680)	-33%
Energy sources		-	-	-	-	-	-	-	
Water management		-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	
Waste management		14 420	16 128	24 278	1 887	11 475	17 156	(5 680)	-33%
Other		-	-	-	-	-	-	-	
<b>Total Expenditure - Functional</b>	3	576 558	607 095	659 941	44 197	459 573	493 363	(33 790)	-7%
<b>Surplus (Deficit) for the year</b>		156 901	154 922	264 947	91 480	158 158	174 711	(16 553)	-9%
<b>Total Expenditure - Functional</b>		659 941	659 941	659 941	44 197	459 573	493 363	(33 790)	-7%
<b>Surplus (Deficit) for the year</b>		264 947	264 947	264 947	91 480	158 158	174 711	(16 553)	-9%

L1M476 Tubatse Fetakgomo - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q3 Third Quarter



Description	Ref	2019/20		Budget Year 2020/21		Budget Year 2020/21		YTD	YTD	%	Forecast
		Audited	Outcome	Original	Adjusted	Monthly	YearTD				
<b>Revenue By Source</b>											
Property rates		112 040	121 787	121 787	9 282	91 106	91 340	(234)	0%		
Service charges - electricity revenue		-	-	-	-	-	-	-	-		
Service charges - water revenue		-	-	-	-	-	-	-	-		
Service charges - sanitation revenue		-	-	-	-	-	-	-	-		
Service charges - refuse revenue		21 779	25 921	25 921	1 932	17 155	19 441	(2 286)	-12%		
Rental of facilities and equipment		309	281	281	33	320	211	109	52%		
Interest earned - external investments		9 952	10 466	10 466	355	4 605	7 654	(3 360)	-43%		
Interest earned - outstanding debtors		32 881	34 929	34 929	1 101	19 175	26 197	(7 021)	-27%		
Dividends received		-	-	-	-	-	-	-	-		
Fines, penalties and grants		1 915	3 419	3 419	2	12	2 664	(2 552)	-100%		
Licences and permits		3 252	16 529	16 529	818	3 111	12 397	(9 285)	-75%		
Agency services		3 649	4 991	4 991	415	3 591	3 736	(145)	-4%		
Transfers and subsidies		420 868	456 109	550 832	113 263	424 700	415 368	9 312	2%		
Other revenue		966	3 764	4 348	20	633	3 056	(2 423)	-79%		
Gains		17 470	-	-	-	-	-	-	-		
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>625 082</b>	<b>678 206</b>	<b>783 513</b>	<b>127 242</b>	<b>564 310</b>	<b>582 194</b>	<b>(17 884)</b>	<b>-3%</b>		<b>783 513</b>
<b>Expenditure By Type</b>											
Employer related costs		175 835	200 681	199 256	14 627	129 026	150 002	(11 975)	-8%		
Remuneration of councillors		31 862	35 685	35 685	2 502	22 221	26 764	(4 543)	-17%		
Debt impairment		92 971	41 689	41 689	865	149 875	31 296	119 608	379%		
Depreciation & asset impairment		106 900	89 877	89 877	-	-	67 328	(67 328)	-100%		
Finance charges		843	655	1 356	2	2	996	(994)	-100%		
Bulk purchases		1 788	6 657	9 757	47	5 772	6 876	(1 104)	-16%		
Other materials		59 054	145 508	192 718	19 734	99 767	137 846	(29 079)	-29%		
Contracted services		645	1 372	1 722	11	444	1 169	(725)	-62%		
Transfers and subsidies		64 582	84 661	88 084	6 407	43 466	71 116	(27 649)	-39%		
Losses		3 639	-	-	-	-	-	-	-		
<b>Total Expenditure</b>		<b>576 558</b>	<b>607 085</b>	<b>659 941</b>	<b>44 197</b>	<b>459 573</b>	<b>493 353</b>	<b>(33 790)</b>	<b>-7%</b>		<b>659 941</b>
<b>Surplus/(Deficit)</b>		<b>48 524</b>	<b>71 121</b>	<b>123 572</b>	<b>83 045</b>	<b>104 737</b>	<b>88 831</b>	<b>15 906</b>	<b>0</b>		<b>123 572</b>
(National / Provincial and District)		108 377	83 797	113 066	5 586	40 667	74 555	(33 550)	(0)		113 066
(National / Provincial and District)		-	-	-	-	-	-	-	-		-
Public Corporations, Higher Educational Institutions, Households, Non-profit Institutions, Private Enterprises,		3	52	28 257	2 848	12 654	11 303	(22)	(0)		52
Transfers and subsidies - capital (linked - a1)		-	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		155 901	154 922	264 947	91 480	158 158	174 711	1 161	0		28 257
Taxation		-	-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		155 901	154 922	264 947	91 480	158 158	174 711	-	-		28 257
Attributable to minorities		-	-	-	-	-	-	-	-		-
Share of surplus/(deficit) of associates		156 901	154 922	264 947	91 480	158 158	174 711	-	-		28 257
<b>Surplus/(Deficit) for the year</b>		<b>156 901</b>	<b>154 922</b>	<b>264 947</b>	<b>91 480</b>	<b>158 158</b>	<b>174 711</b>				<b>284 947</b>

LIM476 Tubatse Fetakgomo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter



Description	Ref	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
<b>ASSETS</b>					
<b>R thousands</b>					
Cash		72 714	47 572	(416 200)	253 143
Call investment deposits		140 649	103 548	530 004	55 146
Consumer debtors		26 588	282 872	268 015	(64 571)
Other debtors		31 970	30 554	28 702	27 110
Current portion of long-term receivables		-	-	-	-
Inventory		-	-	-	-
<b>Total current assets</b>		<b>271 921</b>	<b>464 546</b>	<b>410 521</b>	<b>270 828</b>
<b>Non current assets</b>					
Long-term receivables		-	-	-	-
Investments		-	-	-	-
Investment property		-	-	-	-
Investments in Associates		61 650	15 320	15 320	61 650
Property, plant and equipment		2 075 901	3 957 838	4 075 837	2 182 949
Biological		165	2 726	1 340	908
Intangible		182 879	20 131	20 131	182 879
Other non-current assets		2 320 595	3 956 014	4 112 627	2 428 386
<b>Total non current assets</b>		<b>2 592 516</b>	<b>4 460 560</b>	<b>4 523 148</b>	<b>2 699 214</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft		-	-	-	-
Borrowing		-	-	-	-
Consumer deposits		-	-	-	-
Trade and other payables		241 343	256 099	(37 983)	201 712
Provisions		17 375	18 995	18 995	17 375
<b>Total current liabilities</b>		<b>258 718</b>	<b>275 094</b>	<b>(18 988)</b>	<b>219 087</b>
<b>Non current liabilities</b>					
Borrowing		8 578	57 581	9 566	(2 911)
Provisions		3 163	(582)	(582)	3 163
<b>Total non current liabilities</b>		<b>11 741</b>	<b>56 998</b>	<b>8 984</b>	<b>252</b>
<b>TOTAL LIABILITIES</b>		<b>270 459</b>	<b>332 092</b>	<b>(10 005)</b>	<b>219 339</b>
<b>NET ASSETS</b>	2	<b>2 322 057</b>	<b>4 128 467</b>	<b>4 533 153</b>	<b>2 479 875</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)		2 197 296	4 159 247	4 348 212	4 348 212
Reserves		-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>2 197 296</b>	<b>4 159 247</b>	<b>4 348 212</b>	<b>4 348 212</b>

Description	2019/20		Budget Year 2020/21				Full Year Forecast
	Ref	1	Actual	Actual	YearTD	YearTD	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>							
Receipts							
Property sales			15 914	201 885	23 695	178 189	752%
Service charges			9 356	940	6 930	7 017	(1 080)
Other revenues			(970 118)	125 079	228 725	(727 569)	856 314
Transfers and Subsidies - Operational			557 260	316	(581)	417 950	(418 541)
Transfers and Subsidies - Capital			-	-	-	49 297	#DN/01
Interest			-	355	-	2 489	-
Dividends			-	-	-	-	-
Payments							
Suppliers and employees			(618 183)	(30 471)	(325 754)	(463 637)	(137 683)
Finance charges			-	-	-	-	-
Transfers and Grants			-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			(930 071)	112 133	161 989	(742 553)	(904 542)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Receipts							
Proceeds on disposal of PPE			-	-	-	-	-
Decrease (increase) in non-current receivables			-	-	-	-	-
Decrease (increase) in non-current investments			-	-	-	-	-
Payments							
Capital assets			(116 620)	(10 363)	(104 767)	(87 465)	17 302
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			(116 620)	(10 363)	(104 767)	(87 465)	17 302
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Receipts							
Short term loans			-	-	-	-	-
Borrowing long term/financing			(40 000)	-	-	(30 000)	30 000
Increase (decrease) in consumer deposits			-	-	-	-	-
Payments							
Repayment of borrowing			-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			(40 000)	-	-	(30 000)	(30 000)
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>			(1 146 692)	101 770	57 222	(650 019)	(1 146 692)
Cash/ cash equivalents at beginning of month			180 562	224 643	270 566	213 363	270 566
Cash/ cash equivalents at month/ year end:			94 179	180 562	270 566	213 363	270 566

LIMAT6 Tubatse Felakgomo - Table C7 Monthly Budget Statement - Cash Flow - Q3 Third Quarter



Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
2	Property rates	(224)	Variance less than 10%	
3	Property rates	(226)	No longer billing for properties on un-procured areas.	
4	Interest on investments	(3 380)	Amount realized only when more funds are invested.	
5	Interest on Outstanding Debtors	(7 021)	No longer billing for properties on un-procured areas.	
6	Other revenue	(2 423)	Other revenue items not yet collected. (E tender adv, burial fees, etc)	
7	Expenditure By Type			
8	Employee costs	(11 975)	Vacant Posts	Posts has been advertised
9	Remuneration of councillors	(4 543)	Unpaid upper limits of councillors	Service provider busy with migration
10	Depreciation and Debit Impairment	(67 328)	Integration not yet done between Asset System and Solar	Departments to submit SDBP,S
11	Other expenditure	(27 649)	Most projects not yet implemented	Departments to submit SDBP,S
12	Capital Expenditure			
13	Capital Expenditure	(67 571)	projects not yet implemented	Departments to submit SDBP,S
14	Financial Position			
15	Cash Flow			
16	Measurable performance			
17	Municipal Entities			

LIM476 Tubaise Felakgomo - Supporting Table SC1 Material variance explanations - Q3 Third Quarter

Description of financial indicator	Basis of calculation				Ref	2019/20	Budget Year 2020/21		
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual			Full Year Forecast		
<b>Borrowing Management</b>									
Capital Charges to Operating Expenditure	0.1%	15.0%	13.8%	0.0%		5.6%	0.0%	0.0%	0.0%
Borrowed funding of own capital expenditure	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%
grants									
<b>Safety of Capital</b>									
Debt to Equity	11.4%	7.5%	-0.7%	8.3%		-0.7%	0.0%	0.0%	0.0%
Loans, Accounts Payable, Overdraft & Tax									
Provision/ Funds & Reserves									
Long Term Borrowing/ Funds & Reserves									
<b>Liquidity</b>									
Current Ratio	105.1%	168.9%	-2182.0%	123.6%		-2162.0%			
Liquidity Ratio	82.5%	54.9%	-559.3%	140.7%		-599.3%			
Money Assets/Current Liabilities									
<b>Revenue Management</b>									
Annual Debtors Collection Rate									
(Payment Level %)									
Outstanding Debtors to Revenue	9.4%	46.2%	37.9%	-6.6%		37.9%			
Longstanding Debtors Recovered									
Total Outstanding Debtors to Annual Revenue									
Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%		0.0%			
<b>Creditors Management</b>									
Creditors System Efficiency									
% of Creditors Paid Within Terms (within MFMA s 65(e))									
<b>Funding of Provisions</b>									
Percentage Of Provisions Not Funded									
Other Indicators									
Electricity Distribution Losses									
% Volume (units purchased and generated less units sold)/units purchased and generated	2								
Water Distribution Losses									
% Volume (units purchased and own source less units sold)/total units purchased and own source	2								
Employee costs									
Employee costs/Total Revenue - capital revenue	28.1%	29.6%	25.4%	24.5%		25.4%			
Repairs & Maintenance									
Repairs & Maintenance - capital revenue	1.7%	4.7%	6.6%	3.3%		6.6%			
Interest & Depreciation									
Interest & Depreciation - capital revenue	17.1%	13.4%	11.6%	0.0%		4.7%			
<b>IDP Regulation financial viability indicators</b>									
1 Debt coverage									
(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)									
2 O/S Service Debtors to Revenue									
Total outstanding service debtors/annual revenue received for services									
3 Cost coverage									
(Available cash + Investments)/monthly fixed operational expenditure									

LIM476 Tubatse Fetakgomo - Supporting Table SC2 Monthly Budget Statement - Performance Indicators - Q3 Third Quarter





Description	Ref	Budget Year 2020/21											
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	YTD variance	YTD variance %	
<b>EXPENDITURE</b>													
<b>Operating expenditure of Transfers and Grants</b>													
National Government		452 856	510 499	554 741	42 146	447 983	415 614	32 369	7,8%	554 741			
Equitable Share		447 802	502 757	547 393	41 753	442 398	409 895	32 503	7,9%	547 393			
Expanded Public Works Programme Integrated Grant		2 018	1 052	1 052	1 010	789	221	28,1%	1 052				
Local Government Financial Management Grant		2 912	2 500	2 500	81	1 870	1 875	(5)	-0,2%	2 500			
Municipal Demarcation Transition Grant		94	-	-	-	70	(70)	-	-100,0%	-			
Municipal Disaster Relief Grant		29	4 190	3 796	312	2 704	2 936	(231)	-9,4%	3 796			
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-			
Provincial Government		-	-	-	-	-	-	-	-	-			
Municipal Systems Improvement		-	-	-	-	-	-	-	-	-			
District Municipality:		-	-	-	-	-	-	-	-	-			
Other grant providers:		-	-	-	-	-	-	-	-	-			
Std Development and Training		-	-	-	-	-	-	-	-	-			
<b>Total operating expenditure of Transfers and Grants:</b>													
Capital expenditure of Transfers and Grants		452 856	510 499	554 741	42 146	447 983	415 614	32 369	7,8%	554 741			
National Government:		59 208	79 607	109 056	3 650	50 202	71 485	(-11 223)	-57,5%	109 056			
Integrated National Education Programme		-	-	-	-	-	-	-	-	-			
Integrated National Education Programme Grant		17 998	-	-	-	-	-	-	-	-			
Municipal Infrastructure Grant		41 270	79 607	109 056	3 650	30 202	71 485	(-11 223)	-57,5%	109 056			
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-			
Provincial Government:		11 407	-	28 257	3 896	3 896	11 303	(7 406)	-65,5%	28 257			
Specify (Add grant description)		-	-	28 257	3 896	3 896	11 303	(7 406)	-65,5%	28 257			
District Municipality:		-	-	-	-	-	-	-	-	-			
Other grant providers:		-	-	-	-	-	-	-	-	-			
<b>Total capital expenditure of Transfers and Grants</b>													
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>													
		523 470	590 106	692 053	49 893	482 242	498 402	(16 160)	-3,2%	692 053			
		70 614	79 607	137 314	7 547	34 258	82 788	(48 530)	-58,6%	137 314			

LIM476 Tubatse Fatagomo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q3 Third Quarter

Total Capital Expenditure on new assets											
1	83 489	141 707	260 514	10 363	106 897	169 013	62 116	38.8%	260 514		
Intangible Assets	48	2 500	1 900	-	650	1 635	985	60.2%	1 900		
	43	2 500	1 900	-	650	1 635	985	60.2%	1 900		
Services											
Licenses and Rights											
Water Rights											
Effluent Licenses											
Solid Waste Licenses											
Computer Software and Applications	48	2 500	1 900	-	650	1 635	985	60.2%	1 900		
Load Settlement Software Applications											
Unspecified											
Computer Equipment											
Computer Equipment											
Furniture and Office Equipment	2 620	2 550	3 250	-	384	2 403	2 019	84.0%	3 250		
Furniture and Office Equipment	2 620	2 550	3 250	-	384	2 403	2 019	84.0%	3 250		
Furniture and Office Equipment											
Community Assets	21 987	26 303	19 200	2 308	9 394	16 888	7 492	44.4%	19 200		
Community Facilities											
Cemeteries/Crematoria											
Parks											
Text/Ramp/Bus Terminals											
Capital Stores											
Sport and Recreation Facilities	21 987	23 503	18 600	2 308	9 206	15 668	6 460	41.2%	18 600		
Indoor Facilities											
Outdoor Facilities	21 987	23 503	18 600	2 308	9 206	15 668	6 460	41.2%	18 600		
Community Assets											
Sanitation Infrastructure											
Pump Station											
Relocation											
Waste/Water Treatment Works											
Outfall Sewers											
Toilet Facilities											
Capital Stores											
Solid Waste Infrastructure											
Landfill Sites											
Waste Transfer Stations											

Monthly expenditure performance trend											
Month	Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Original Budget	% spend of Budget	
July	2 299	12 574	12 574	220	220	12 574	12 354	98.3%	0%		
August	3 894	12 574	12 574	2 804	3 024	25 149	22 124	88.0%	2%		
September	3 544	12 574	17 756	9 094	12 118	42 905	30 786	71.8%	8%		
October	9 236	12 574	17 756	8 819	20 938	60 661	39 723	65.5%	14%		
November	5 091	12 574	17 756	8 563	29 501	78 418	48 915	62.4%	20%		
December	11 710	12 574	17 756	50 647	80 149	96 172	16 024	16.7%	53%		
January	4 789	12 574	17 756	6 522	86 670	113 928	27 258	23.9%	57%		
February	14 338	12 574	30 717	10 758	97 429	144 645	47 216	32.6%	65%		
March	14 444	12 574	30 717	10 363	107 791	175 362	67 571	38.5%	71%		
April	1 069	12 574	30 717	-	206 079	267 514	-	-			
May	1 802	12 574	30 717	-	236 797	267 514	-	-			
June	691	12 574	30 717	-	267 514	267 514	-	-			

L14476 Tubatse Fetakomo - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q3 Third Quarter

	1	105 980	89 877	89 877	89 877	-	-	67 328	67 328	67 328	100.0%	89 877
<b>Community Assets</b>		5 924	3 389	3 389	3 389	-	-	2 542	2 542	2 542	100.0%	3 389
Community Facilities		5 924	3 389	3 389	3 389	-	-	2 542	2 542	2 542	100.0%	3 389
Halls		-	3 389	3 389	3 389	-	-	2 542	2 542	2 542	100.0%	3 389
Centres		5 924	-	-	-	-	-	-	-	-	-	-
Catches		-	-	-	-	-	-	-	-	-	-	-
<b>Other assets</b>		2 204	5 490	5 490	5 490	-	-	4 118	4 118	4 118	100.0%	5 490
Operational Buildings		2 204	5 490	5 490	5 490	-	-	4 118	4 118	4 118	100.0%	5 490
Municipal Offices		-	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		30	200	200	200	-	-	70	70	70	100.0%	200
Services		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		30	200	200	200	-	-	70	70	70	100.0%	200
Water Rights		-	-	-	-	-	-	-	-	-	-	-
Effluent Licences		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Licences		-	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		30	-	-	-	-	-	-	-	-	-	30
Unspecified		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		1 402	381	381	381	-	-	288	288	288	100.0%	381
Furniture and Office Equipment		998	1 500	1 500	1 500	-	-	1 125	1 125	1 125	100.0%	1 500
Furniture and Office Equipment		1 500	1 500	1 500	1 500	-	-	1 125	1 125	1 125	100.0%	1 500
Machinery and Equipment		5 860	5 500	5 500	5 500	-	-	4 125	4 125	4 125	100.0%	5 500
Machinery and Equipment		5 860	5 500	5 500	5 500	-	-	4 125	4 125	4 125	100.0%	5 500
Transport Assets		-	2 325	2 325	2 325	-	-	1 744	1 744	1 744	100.0%	2 325
Transport Assets		-	2 325	2 325	2 325	-	-	1 744	1 744	1 744	100.0%	2 325
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
<b>Total Depreciation</b>	<b>1</b>	<b>105 980</b>	<b>89 877</b>	<b>89 877</b>	<b>89 877</b>	<b>-</b>	<b>-</b>	<b>67 328</b>	<b>67 328</b>	<b>67 328</b>	<b>100.0%</b>	<b>89 877</b>