

BITOU LOCAL MUNICIPALITY



**Budget Statement for the month
ended 28 February 2023**

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Glossary

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

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timing. For example, when an invoice is received by the Municipality it is shown as expenditure in the Quarter it is received, even though it may not be paid in the same period.

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

Equitable share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new 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 piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating expenditure – Spending on the day-to-day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

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SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising monthly performance targets and monthly budget estimates.

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.

Unauthorised expenditure – Generally, is spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

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 (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

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Legislative Framework

This report has been prepared in terms of the following enabling legislation. The Municipal Finance Management Act – No. 56 of 2003 Section 71 Monthly budget statements. Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations (MBRR)

PART 1 – IN-YEAR REPORT

Section 1 – February Report

1.1 In-Year Report – Monthly Budget Statement

The report outlines the financial performance and position of the municipality for the month ended February 2023. The budget of the municipality is compiled with the objective that Bitou Municipality remains a financially viable and sustainable institution. The latter could be achieved if the municipality spends its budget prudently.

The financial viability is measured through the liquidity ratio, current ratio and quick ratio. These ratios are critical in terms of evaluating the ability of the municipality to meet its short-term obligations.

As can be seen on the C7 Cash flow statement, the current cash, and cash equivalents as at end of February 2023 amounts to R 80,3 million. The municipality on average requires an amount in excess of R65 million to cover its monthly operational expenditure, this includes the cost associated with the payment of employee cost and suppliers. It however excludes payments made to suppliers for capital assets.

Section 2 – Resolutions

IN-YEAR REPORTS 2022/2023

This is the resolution that will be presented to Council when the In-Year Report is tabled:

RECOMMENDATION:

- That Council notes the monthly budget statement and supporting documentation for the month ended 28 February 2023.

Section 3 – Executive Summary

3.1 Introduction

The Monthly budget statement has been prepared in terms of the Municipal Budget and Reporting Regulations and section 71 of the Municipal Finance Management Act 56 of 2003.

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Consolidated performance

WC047 Bitou - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		157 194	159 956	152 705	12 486	101 890	101 803	87	0%	152 705
Service charges - electricity revenue		202 469	207 720	201 639	19 161	138 398	134 426	3 971	3%	201 639
Service charges - water revenue		85 578	93 277	88 015	7 929	58 188	58 677	(489)	-1%	88 015
Service charges - sanitation revenue		88 009	87 047	85 561	6 324	53 882	57 041	(3 159)	-6%	85 561
Service charges - refuse revenue		37 424	53 272	48 278	3 661	31 465	32 185	(720)	-2%	48 278
Rental of facilities and equipment		1 255	1 193	1 179	86	669	786	(117)	-15%	1 179
Interest earned - external investments		3 747	4 600	5 100	348	3 857	3 400	457	13%	5 100
Interest earned - outstanding debtors		14 777	14 572	18 432	1 721	13 389	12 288	1 101	9%	18 432
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		54 430	35 870	25 758	5 323	17 729	17 172	557	3%	25 758
Licences and permits		1 091	1 002	1 064	58	734	709	25	3%	1 064
Agency services		2 423	2 414	2 536	-	1 585	1 691	(106)	-6%	2 536
Transfers and subsidies		137 299	153 896	164 645	997	103 568	109 733	(6 165)	-6%	164 645
Other revenue		9 341	7 875	9 629	1 166	6 939	6 416	524	8%	9 629
Gains		-	-	522	475	475	348	127	36%	522
Total Revenue (excluding capital transfers and contributions)		795 036	822 693	805 062	59 734	532 767	536 674	(3 906)	-1%	805 062
Expenditure By Type										
Employee related costs		278 100	306 473	308 509	25 958	198 539	205 674	(7 135)	-3%	308 509
Remuneration of councillors		6 198	6 944	6 944	548	4 568	4 629	(61)	-1%	6 944
Debt impairment		126 876	103 440	112 640	5 022	54 122	75 093	(20 971)	-28%	112 640
Depreciation & asset impairment		36 223	37 400	38 163	3 117	24 932	25 441	(509)	-2%	38 163
Finance charges		11 102	10 739	8 776	59	4 821	5 851	(1 030)	-18%	8 776
Bulk purchases - electricity		159 802	161 902	173 902	2 210	102 728	115 935	(13 207)	-11%	173 902
Inventory consumed		14 864	17 674	17 628	1 095	8 703	11 752	(3 049)	-26%	17 628
Contracted services		102 726	91 004	99 823	3 059	25 896	66 548	(40 652)	-61%	99 823
Transfers and subsidies		4 527	4 750	6 185	-	3 715	4 123	(409)	-10%	6 185
Other expenditure		57 505	78 447	82 730	2 417	37 243	55 152	(17 909)	-32%	82 730
Losses		(5 128)	-	-	-	-	-	-		-
Total Expenditure		792 795	818 774	855 301	43 485	465 266	570 198	(104 932)	-18%	855 301
Surplus/(Deficit)		2 240	3 919	(50 239)	16 249	67 501	(33 525)	101 026	(0)	(50 239)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		50 997	46 335	53 041	-	4 061	31 444	(27 383)	(0)	53 041
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		1 562	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		54 800	50 254	2 802	16 249	71 562	(2 081)			2 802
Taxation		-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		54 800	50 254	2 802	16 249	71 562	(2 081)			2 802
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		54 800	50 254	2 802	16 249	71 562	(2 081)			2 802
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		54 800	50 254	2 802	16 249	71 562	(2 081)			2 802

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Revenue by Source

Property Rates

Property rates for the month of February amounts to R12.5 million. The YTD actual amount to R101.9 million compared to YTD budget of R101.8 million that was anticipated, this indicates that the revenue source is adequately performing. This can mainly be ascribed to the adjustment budget that brought this line item in-line with the year-to-date budget and full year forecast.

Electricity

Revenue from electricity for the month of February 2023 amounts to R19.2 million. The YTD actual is R138.4 million, and when compared to the YTD budget of R134.4 million a 3% over performance. Electricity revenue is influenced by fluctuating consumption during peak and off-peak periods which is evident as the performance has improved over the peak season. The prolonged load shedding remains a point of concern even though performance of this revenue item has improved, a downward adjustment was approved in the adjustments budget.

Water Service

Water revenue as at end of February 2023 amounts to R58.2 million while YTD budget amounts to R58.6 million. This is in line with the anticipated projection of this revenue source. This line item was adjusted downward in the adjustment budget.

Sanitation Service

Sanitation revenue as at end of February 2023 amounts to R53.8 million while YTD budget amounts to R57 million. This translates to 6% under-performance for this category of revenue. The revenue source has been adjusted downwards however it seems it is still underperforming.

Serious consideration will need to be given on how this revenue source is budgeted in the new financial year, as well as the tariffs linked to it.

Refuse Service

Refuse revenue as at the end of February 2023 amounts R31.5 million while the YTD budget amounts to R32.2 million. This translates to an under performance of 2%. A downward adjustment in the revenue source was done in the mid-year adjustments budget. This category of revenue will need to be investigated as well in preparation of the 2023/24 annual budget and tariffs associated with it.

Rental of Facilities and Equipment

The revenue for rental of facilities and equipment as at end of February 2023 amounts to R668 795. This source of revenue is under-performing by 15% compared to the YTD budget of R785 808. This source of revenue was adjusted downward as it has consistently underperformed based on the previous reports and based on the first monthly report after the adjustment budget, consideration needs to be given in the annual budget for this item to make sure tariffs are in line. Revenue from this source is dependent on the community's need to make use of municipality's various facilities and it can be difficult to predict.

Interest earned on external investment and outstanding debtors

Interest earned on external investment and outstanding debtors' revenue as at end of February 2023 amounts to R3.8 million and R13.4 million respectively while the YTD budget amounts to R3.4 million and R12.3 million respectively. The investments are continuing to show a positive result which is evident in the YTD variance of 13%. The interest on outstanding debtors is also showing a positive of 9%, however it is doubtful that the municipality would be able to collect it and was thus adjusted downward.

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Revenue for fines, penalties and forfeits

Revenue from Fines as at end of February 2023 amounts to R17.7 million compared to the YTD budget of R17.2 million. This is an over performance of 3%. This revenue source has been adjusted downward and it is expected to perform adequately for the remainder of the financial year.

Transfers and Subsidies

Revenue from Transfers and Subsidies amounts to R103.6 million as at end of February 2023. Revenue from Transfers and Subsidies is under performing by 6% as the actual disbursements were not aligned to the YTD budget, furthermore, the spending on conditional grants that is accelerated will also influence the performance of this source of revenue towards the closure of the financial year

Other revenue

Other revenue as at end of February 2023 amounts to R6.9 million. This is 8% above the anticipated YTD budget. The major contributor of the revenue remains Building Plan Approval fees, Development Charges, Town Planning Fees, Fire Services, Staff and Councillor Recoveries etc.

Total revenue for the month of February 2023 amounts to R59.7 million compared to the R59.3 million reported in the previous month, which can be ascribed to a better collection in service charges and fines, this excludes revenue from capital contributions.

Expenditure

Employee related cost

Employee related cost as at end of February 2023 amounts to R198.5 million, while the YTD budget amounts to R205.7 million. This translates to an under performance of 3%. Payment of overtime, standby and acting has been adjusted and must now be closely monitored for the remainder of the Financial Year. The main factor contributing to the under-spending remains the vacant positions that have not been filled to date coupled with the year-end post retirement and employee benefits provision that still needs to be made.

Remuneration of councillors

Remuneration of councillors as at end of February 2023 amounts to R4.6 million. This expenditure item underperforming by 1% which is within the norm for this category of expenditure.

Debt Impairment

Debt Impairment as at end of February amounted to R54.1 million. The YTD budget amounts to R75.1 million. This translates to an under performance of 28%.

Bulk Purchases

Bulk purchases relate to payments made to Eskom for electricity, the expenditure as at end of February 2023 amounts to R102.7 million compared to R115.9 million YTD budget, thus reporting an under performance of 11%. All payments to Eskom are reflected in the YTD figure. Considering the increase in bulk purchases allowed by NERSA of 18.35% it is anticipated that an additional amount of approximately R12 million is needed over and above the current budgetary allocation, which led to an adjustment budget increase of the Bulk Purchases.

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Depreciation

Depreciation as at the end of February 2023 amounts to R24.9 million which is in line with the YTD budget. This item is still performing as anticipated even with a 2% under performance variance as one 12th of the budgeted amount is allocated on a monthly basis. Actual expenditure for this item will reflect most accurately at the end of the financial year.

Inventory Consumed

Expenditure for this item as at end of February 2023 amounts to R8.7 million while the YTD budget amounts to R11.8 million. This expenditure item is under-performing by 26% when compared to the YTD budget. This expenditure type relates to the consumption of materials and supplies/inventory at the stores and the trend of under performance is continuing from the previous month. An adjustment for this expenditure was done, however more attention will need to be given in the 2023/24 Annual Budget to be sure this item is budgeted adequately.

Contracted Services

Expenditure as at end of February 2023 amounts to R25.9 million and is under-performing by 61% when compared to the YTD budget of R66.5 million. The under expenditure remains the same from the previous month and it is still anticipated that this category of expenditure will increase towards the conclusion of the financial year.

Transfers and subsidies

Expenditure as at end of February amounts R3.7 million compared to the YTD budget of R4.1 million. An under performance of 10% is reported for the month ended February 2023, this category of expenditure will also increase towards the conclusion of the financial year.

Other expenditure

Other expenditure as at end of February 2023 amounts to R37.2 million while the YTD budget amounts to R55.1 million, which translates to an under performance of 32%. This includes items such as the rental expenses of offices spaces, insurance, travel and subsistence and telephone accounts. Some of the major contributors to this expenditure category is postage cost, external audit fees, bank charges and commission on prepaid electricity.

Total expenditure as at end of February 2023 amounts to R465.2 million. The municipality is reporting an operating surplus of R16.2 million for the month of February 2023 and a surplus of R67.5 million for the YTD actual.

Conclusion on Financial Position and performance

The financial performance as at end of February 2023 has improved from the previous month however, the current cash flow is still not sufficient to sustain operations in the short, medium as well as the long term. The current ratio is just within the best practice norms. The liquidity position remains concerning and a concerted effort is necessary to ensure the financial turnaround of the municipality.

The implementation of the financial recovery plan receives dedicated attention to ensure that the financial viability and long-term sustainability will be assured.

Section 4 – In-year budget statement tables

4.1 Monthly budget statements

The tables included in section 4 to the end of this report are from the 'C Schedule monthly Budget Statement legislated as part of the MBRR.

Below tables analyse the income and expenditure by Function and the performance of each sub function. As mentioned above the performance will increased with the implementation of the SDBIP.

Table below relates to the budget performance by municipal vote. Most of the departments has underspent on their expenditure budget and under collected on their revenue budget below. Management to note that expenditure is more that revenue since the beginning of the year.

See tables below C1 and C3 for the month ended 28 February 2023 .

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WC047 Bitou - Table C1 Monthly Budget Statement Summary - M08 February

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	157 194	159 956	152 705	12 486	101 890	101 803	87	0%	152 705
Service charges	413 479	441 315	423 494	37 075	281 933	282 329	(396)	-0%	423 494
Investment revenue	3 747	4 600	5 100	348	3 857	3 400	457	13%	5 100
Transfers and subsidies	137 299	153 896	164 645	997	103 568	109 733	(6 165)	-6%	164 645
Other own revenue	83 317	62 926	59 118	8 828	41 519	39 409	2 111	5%	59 118
Total Revenue (excluding capital transfers and contributions)	795 036	822 693	805 062	59 734	532 767	536 674	(3 906)	-1%	805 062
Employee costs	278 100	306 473	308 509	25 958	198 539	205 674	(7 135)	-3%	308 509
Remuneration of Councillors	6 198	6 944	6 944	548	4 568	4 629	(61)	-1%	6 944
Depreciation & asset impairment	36 223	37 400	38 163	3 117	24 932	25 441	(509)	-2%	38 163
Finance charges	11 102	10 739	8 776	59	4 821	5 851	(1 030)	-18%	8 776
Materials and bulk purchases	174 666	179 576	191 530	3 305	111 431	127 686	(16 255)	-13%	191 530
Transfers and subsidies	4 527	4 750	6 185	–	3 715	4 123	(409)	-10%	6 185
Other expenditure	281 979	272 892	295 193	10 498	117 261	196 793	(79 532)	-40%	295 193
Total Expenditure	792 795	818 774	855 301	43 485	465 266	570 198	(104 932)	-18%	855 301
Surplus/(Deficit)	2 240	3 919	(50 239)	16 249	67 501	(33 525)	101 026	-301%	(50 239)
Transfers and subsidies - capital (monetary allocations)	50 997	46 335	53 041	–	4 061	31 444	(27 383)	-87%	53 041
Contributions & Contributed assets	1 562	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	54 800	50 254	2 802	16 249	71 562	(2 081)	73 643	-3539%	2 802
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	54 800	50 254	2 802	16 249	71 562	(2 081)	73 643	-3539%	2 802
Capital expenditure & funds sources									
Capital expenditure	79 249	98 450	102 148	2 050	11 140	64 311	(53 170)	-83%	102 148
Capital transfers recognised	60 306	41 078	44 034	1 183	4 640	29 112	(24 472)	-84%	44 034
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	38 843	35 255	306	3 575	21 128	(17 552)	-83%	35 255
Internally generated funds	18 943	18 529	22 860	568	2 940	14 071	(11 131)	-79%	22 860
Total sources of capital funds	79 249	98 450	102 148	2 057	11 155	64 311	(53 155)	-83%	102 148
Financial position									
Total current assets	368 500	272 028	350 801		187 732				350 801
Total non current assets	1 218 624	1 345 582	1 282 608		1 194 974				1 282 608
Total current liabilities	353 304	150 778	393 034		82 210				393 034
Total non current liabilities	160 322	226 140	170 927		146 643				170 927
Community wealth/Equity	1 073 498	1 240 692	1 069 448		1 153 853				1 069 448
Cash flows									
Net cash from (used) operating	76 723	77 840	49 810	(5 251)	44 101	30 580	(13 521)	-44%	49 810
Net cash from (used) investing	(79 130)	(98 450)	(102 148)	(1 575)	(1 283)	(64 311)	(63 028)	98%	(102 148)
Net cash from (used) financing	(22 426)	(21 828)	13 451	(443)	(11 191)	(14 536)	(3 345)	23%	13 451
Cash/cash equivalents at the month/year end	48 627	68 025	9 740	–	80 255	361	(79 894)	-22153%	9 740
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	34 917	10 128	9 562	8 928	230 313	–	–	–	293 848
Creditors Age Analysis									
Total Creditors	19 343	–	18	93	25	–	–	–	19 478

Financial Performance Expenditure by Municipal Vote

Revenue by vote

The performance of revenue by vote as at end February 2023 amounts to R536.8 million, this is under performance of 5% when compared to the YTD Budget. The detail on revenue per item can be seen on executive summary.

Expenditure by vote

The expenditure by vote as at February amounts R465.2 million. The total expenditure budget is under performing by 18.4%.

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WC047 Bitou - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Council		2 918	2 918	2 918	-	-	1 945	(1 945)	-100,0%	2 918
Vote 2 - Office of the Municipal Manager		48 142	55 066	55 165	1 087	93 641	36 777	56 864	154,6%	55 165
Vote 3 - Community Services		128 967	139 714	134 565	9 461	63 997	89 707	(25 710)	-28,7%	134 565
Vote 4 - Corporate Services		276	-	275	-	1 123	183	940	513,5%	275
Vote 5 - Financial Services		177 153	181 221	177 552	13 228	109 213	118 368	(9 155)	-7,7%	179 273
Vote 6 - Economic Development & Planning		22 421	4 202	5 941	436	4 268	3 777	491	13,0%	5 941
Vote 7 - Engineering Services		467 601	485 908	481 686	35 522	264 586	317 360	(52 774)	-16,6%	481 686
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	847 477	869 028	858 103	59 734	536 829	568 118	(31 289)	-5,5%	859 824
Expenditure by Vote	1									
Vote 1 - Council		7 835	9 773	9 800	629	5 543	6 533	(990)	-15,2%	9 800
Vote 2 - Office of the Municipal Manager		(79 405)	30 026	30 495	2 500	17 511	20 329	(2 818)	-13,9%	30 495
Vote 3 - Community Services		243 999	228 348	247 317	14 744	133 661	164 876	(31 215)	-18,9%	247 317
Vote 4 - Corporate Services		67 025	68 794	68 765	3 748	28 907	45 843	(16 936)	-36,9%	68 765
Vote 5 - Financial Services		70 140	66 371	65 039	2 829	32 477	43 363	(10 886)	-25,1%	81 324
Vote 6 - Economic Development & Planning		23 677	24 488	24 371	1 498	15 874	16 247	(373)	-2,3%	24 371
Vote 7 - Engineering Services		454 279	390 974	409 514	17 537	231 293	273 008	(41 715)	-15,3%	409 514
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	787 550	818 774	855 301	43 485	465 266	570 198	(104 932)	-18,4%	871 585
Surplus/ (Deficit) for the year	2	59 927	50 254	2 802	16 249	71 562	(2 081)	73 643	-3539,3%	(11 762)

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Capital expenditure

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February										
Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Council		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Community Services		2 428	1 400	1 830	-	81	1 220	(1 139)	-93%	1 830
Vote 4 - Corporate Services		520	1 804	2 104	-	106	1 402	(1 297)	-92%	2 104
Vote 5 - Financial Services		-	600	-	-	-	-	-	-	-
Vote 6 - Economic Development & Planning		-	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services		22 377	45 556	52 404	575	4 180	32 837	(28 657)	-87%	52 404
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	25 324	49 360	56 338	575	4 367	35 460	(31 093)	-88%	56 338
Single Year expenditure appropriation	2									
Vote 1 - Council		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Community Services		6 575	9 026	7 985	397	1 767	5 323	(3 557)	-67%	7 985
Vote 4 - Corporate Services		2 592	635	235	1	3	157	(154)	-98%	235
Vote 5 - Financial Services		19	-	-	-	-	-	-	-	-
Vote 6 - Economic Development & Planning		-	-	435	-	-	435	(435)	-100%	435
Vote 7 - Engineering Services		44 739	39 429	37 155	1 076	5 004	22 936	(17 932)	-78%	37 155
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	53 925	49 090	45 811	1 475	6 773	28 851	(22 077)	-77%	45 811
Total Capital Expenditure	3	79 249	98 450	102 148	2 050	11 140	64 311	(53 170)	-83%	102 148
Capital Expenditure - Functional Classification										
Governance and administration		3 143	3 835	3 135	1	312	2 090	(1 778)	-85%	3 135
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		3 143	3 835	3 135	1	312	2 090	(1 778)	-85%	3 135
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		5 340	8 204	7 623	23	1 260	5 082	(3 822)	-75%	7 623
Community and social services		605	3 930	3 811	32	607	2 541	(1 934)	-76%	3 811
Sport and recreation		2 449	3 794	1 487	-	572	991	(420)	-42%	1 487
Public safety		2 286	480	2 324	(9)	81	1 550	(1 468)	-95%	2 324
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		27 344	10 790	10 079	54	560	6 116	(5 555)	-91%	10 079
Planning and development		-	-	435	-	-	435	(435)	-100%	435
Road transport		27 344	10 790	9 644	54	560	5 681	(5 121)	-90%	9 644
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		43 422	75 621	81 312	1 971	9 009	51 023	(42 014)	-82%	81 312
Energy sources		11 947	21 116	25 665	184	4 514	15 141	(10 627)	-70%	25 665
Water management		14 768	40 579	37 481	1 096	2 745	24 367	(21 622)	-89%	37 481
Waste water management		13 058	12 400	16 670	317	1 362	10 518	(9 156)	-87%	16 670
Waste management		3 650	1 526	1 496	374	388	997	(609)	-61%	1 496
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	79 249	98 450	102 148	2 050	11 140	64 311	(53 170)	-83%	102 148
Funded by:										
National Government		42 019	35 048	35 575	1 192	4 627	23 328	(18 701)	-80%	35 575
Provincial Government		18 287	6 030	8 354	(9)	13	5 714	(5 701)	-100%	8 354
District Municipality		-	-	104	-	-	70	(70)	-100%	104
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital	5	60 306	41 078	44 034	1 183	4 640	29 112	(24 472)	-84%	44 034
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	38 843	35 255	306	3 575	21 128	(17 552)	-83%	35 255
Internally generated funds	6	18 943	18 529	22 860	568	2 940	14 071	(11 131)	-79%	22 860
Total Capital Funding		79 249	98 450	102 148	2 057	11 155	64 311	(53 155)	-83%	102 148

BITOU LOCAL MUNICIPALITY

Capital Expenditure Analysis

Capital Expenditure for the month amounts to R2 million and YTD expenditure as at end of February 2023 amounts to R11.1 million.

It should be noted that majority of the approved capital projects are at 11% spending which means these projects are under-performing, the expenditure pattern over years indicates that where department fail to meet 25% spending target in the first quarter, its either they will not spend 100% of their allocated budget, therefore resulting in budget being forfeited and adjusted due non-performance.

We note that spending has not improved from the previous report however we are anticipating an improvement in performance spending for the months ahead. It should be noted that the commitments (shadow balances) loaded on the FMS amounts to R56.1 million, which translate to 55% of the total capital budget is still under shadow. It is crucial to prioritise spending on grants as historic trends in slow spending has shown us that departments tend to go for rollover applications process as they did not fully spend on their projects, and these applications at times get rejected.

Capital Grants Analysis

Grants	Amended Budget	Monthly Actual	Shadow Balance	YTD Expenditure
MIG	20 099 178.00	794 985.24	10 863 020.05	1 886 326.72
INEP	7 580 869.00	110 009.16	6 008 192.36	1 481 883.01
WSIG	7 894 782.00	286 951.24	6 215 383.82	1 258 365.30
HOUSING	3 000 000.00	0	757 071.17	0
MRF	50 000.00	10 004.81	0	13 064.81
RSEP	434 783.00	0	0	0
COMMUNITY SAFETY INITIATIVE	104 348.00	0	0	0
EMERGENCY MUNICIPAL LOADSHEDDING RELIEF GRANT	4 869 565.00	0	3 702 972.37	0
BORROWINGS	35 255 300.00	306 388.15	16 717 761.78	3 575 362.83
AFR	22 859 588.00	591 721.62	11 799 814.67	2 940 380.25
TOTAL	102 148 413,00	2 100 060,22	56 064 216,22	11 155 382,92

BITOU LOCAL MUNICIPALITY

Chart C1 2022/23 Capital Expenditure Monthly Trend: actual v target

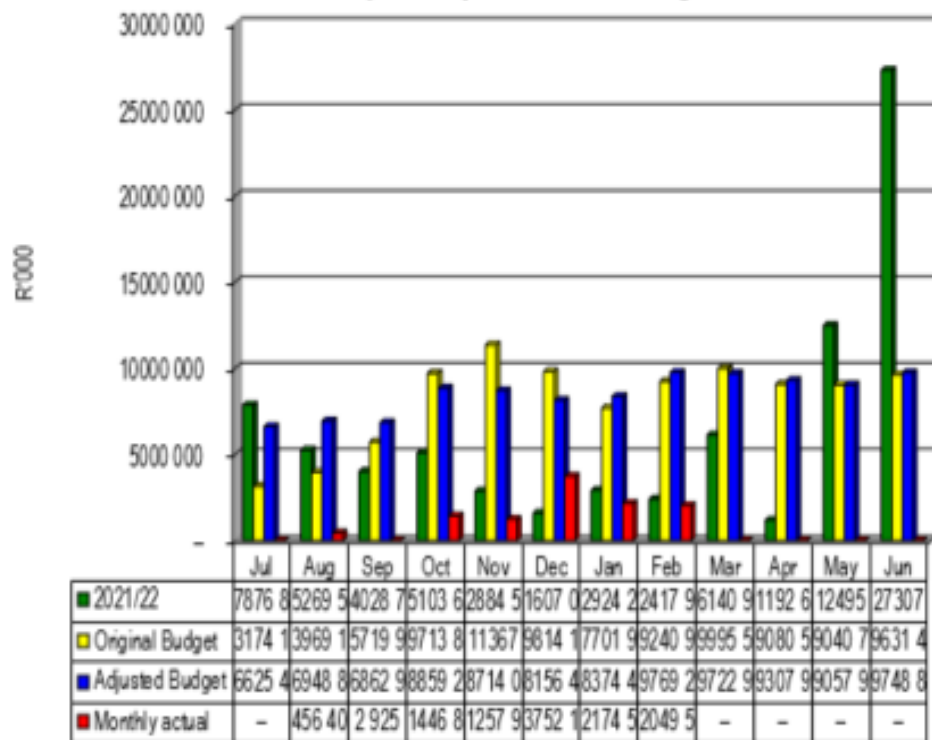
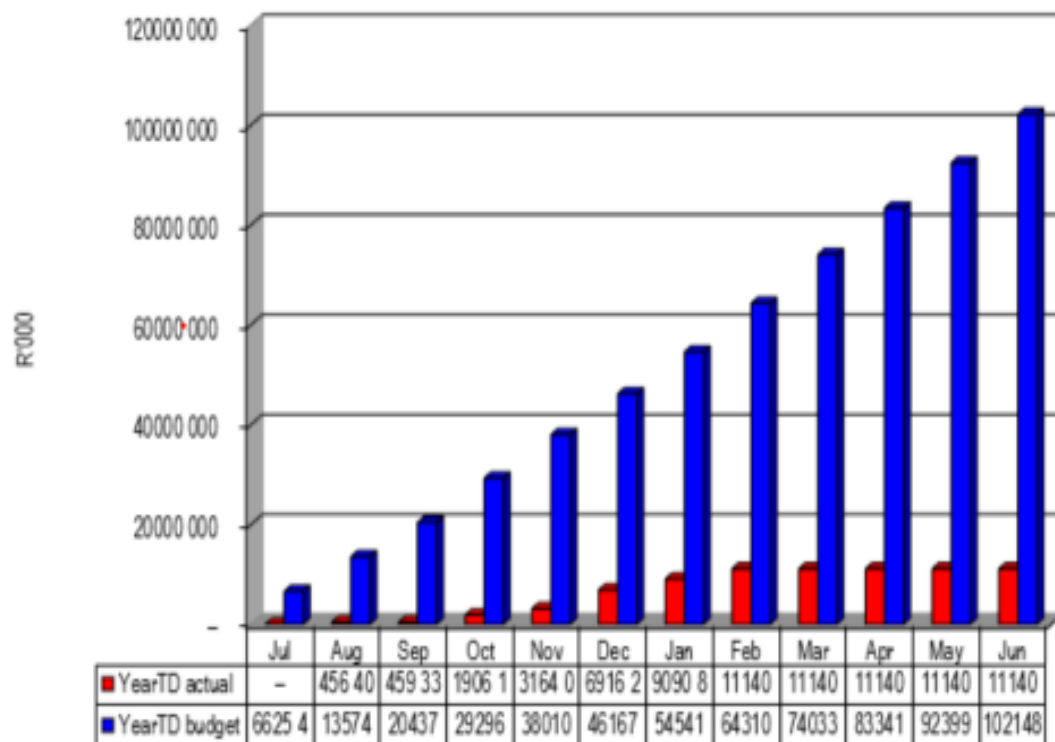


Chart C2 2022/23 Capital Expenditure: YTD actual v YTD target



BITOU LOCAL MUNICIPALITY

Statement of Financial Position

WC047 Bitou - Table C6 Monthly Budget Statement - Financial Position - M08 February

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash		48 627	27 525	8 190	12 930	8 190
Call investment deposits		–	85 710	1 550	67 325	1 550
Consumer debtors		73 178	112 671	81 130	63 396	81 130
Other debtors		223 387	29 921	243 382	21 266	243 382
Current portion of long-term receivables		9	–	11	9	11
Inventory		23 298	16 201	16 538	22 806	16 538
Total current assets		368 500	272 028	350 801	187 732	350 801
Non current assets						
Long-term receivables		1	–	–	1	–
Investments		9 857	–	9 857	–	9 857
Investment property		12 692	25 663	12 692	12 692	12 692
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1 196 038	1 319 883	1 260 023	1 182 246	1 260 023
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		–	(0)	–	–	–
Other non-current assets		35	35	35	35	35
Total non current assets		1 218 624	1 345 582	1 282 608	1 194 974	1 282 608
TOTAL ASSETS		1 587 124	1 617 610	1 633 409	1 382 707	1 633 409
<u>LIABILITIES</u>						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	(328)	24	–	24
Consumer deposits		9 848	9 948	9 848	10 500	9 848
Trade and other payables		293 275	91 269	292 059	10 251	292 059
Provisions		50 181	49 889	91 103	61 460	91 103
Total current liabilities		353 304	150 778	393 034	82 210	393 034
Non current liabilities						
Borrowing		88 704	104 142	102 151	76 784	102 151
Provisions		71 618	121 998	68 776	69 859	68 776
Total non current liabilities		160 322	226 140	170 927	146 643	170 927
TOTAL LIABILITIES		513 626	376 918	563 961	228 853	563 961
NET ASSETS	2	1 073 498	1 240 692	1 069 448	1 153 853	1 069 448
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)		1 054 948	1 114 615	1 050 898	1 135 303	1 050 898
Reserves		18 550	126 077	18 550	18 550	18 550
TOTAL COMMUNITY WEALTH/EQUITY	2	1 073 498	1 240 692	1 069 448	1 153 853	1 069 448

BITOU LOCAL MUNICIPALITY

The table above reflects the statement of financial position of the municipality. The total current assets at the end of February 2023 amounts to R 187.7 million compared to R 189.1 million reported in January 2023. This is decrease compared to the previous month and is as a result of a decrease in the cash due to a majority of our creditors being paid within the 30 days. The municipality reports total short-term investments at R67.3 million and cash of R12.9 million in February. The municipality reports a positive cashbook balance of 12.8 million.

The current liabilities for the month amounts to R82.2 million compared to R101.1 million in the previous month, which is due to a significant decrease in trade creditors. The current ratio for the month equates 2.22:1, which is within best practice norms. It should be noted that the current ratio has increased from the 1.87 in January 2023 . The higher the current ratio, the more capable the municipality will be to pay its current or short-term obligations.

Cash flow analysis

WC047 Bitou - Table C7 Monthly Budget Statement - Cash Flow - M08 February

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		157 107	159 956	130 542	12 440	100 815	87 028	13 787	16%	130 542
Service charges		343 120	375 118	359 234	33 020	269 106	239 487	29 619	12%	359 234
Other revenue		1 120	38 050	39 709	(9 157)	2 524	8 364	(5 840)	-70%	39 709
Transfers and Subsidies - Operational		192 301	105 717	164 912	5 253	107 422	62 914	44 508	71%	164 912
Transfers and Subsidies - Capital		-	52 305	53 041	(997)	16 670	31 007	(14 337)	-46%	53 041
Interest		14 249	4 600	5 100	1 803	17 677	3 400	14 277	420%	5 100
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(615 543)	(644 455)	(687 766)	(47 554)	(461 578)	(394 336)	67 242	-17%	(687 766)
Finance charges		(11 103)	(8 700)	(8 776)	(59)	(4 821)	(5 851)	(1 030)	18%	(8 776)
Transfers and Grants		(4 527)	(4 750)	(6 185)	-	(3 715)	(1 433)	2 281	-159%	(6 185)
NET CASH FROM/(USED) OPERATING ACTIVITIES		76 723	77 840	49 810	(5 251)	44 101	30 580	(13 521)	-44%	49 810
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	475	-	-	-		-
Decrease (increase) in non-current receivables		1	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		(750)	-	-	-	9 857	-	9 857	0%	-
Payments										
Capital assets		(78 381)	(98 450)	(102 148)	(2 050)	(11 140)	(64 311)	(53 170)	83%	(102 148)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(79 130)	(98 450)	(102 148)	(1 575)	(1 283)	(64 311)	(63 028)	98%	(102 148)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	35 255	-	-	-	-		35 255
Increase (decrease) in consumer deposits		-	-	-	76	652	-	652	0%	-
Payments										
Repayment of borrowing		(22 426)	(21 828)	(21 804)	(519)	(11 843)	(14 536)	(2 694)	19%	(21 804)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(22 426)	(21 828)	13 451	(443)	(11 191)	(14 536)	(3 345)	23%	13 451
NET INCREASE/ (DECREASE) IN CASH HELD		(24 833)	(42 438)	(38 887)	(7 269)	31 627	(48 267)			(38 887)
Cash/cash equivalents at beginning:		73 460	110 464	48 627		48 627	48 627			48 627
Cash/cash equivalents at month/year end:		48 627	68 025	9 740		80 255	361			9 740

BITOU LOCAL MUNICIPALITY

The municipality is reporting a negative R5.2 million on monthly actual net cash from operating activities an improvement times when compared to the actual net cash **from** operating activities for the previous month which amounted to R13.8 million. These are mostly month to month operating expenses and operating income.

Monthly actual net cash **(used)** on investing activities is reported at R1.6 million which is mostly influenced by spending on capital projects, expenditure is expected to increase in the months following.

The net cash **(used)** for financing activities are mostly influenced by the repayment of loans. The repayment of loans as at February 2023 amounts to R443 000 after the bi-annual redemption of December 2023 amounting to R10.7 million.

June 2023 Future Payments:						R	11 605 957,32
	Bank/ Loan Reference	Amortisation Date	Future Payment Date	Interest Amount	Redemption Amount	Total Instalment	
	ABSA - 2015/2016	Friday, 30 June 2023	23 June 2023	R 498 078,79	R 1 150 116,37	R	1 648 195,16
	ABSA - 2016/2017	Friday, 30 June 2023	23 June 2023	R 715 789,86	R 1 297 792,38	R	2 013 582,24
	Sub for Financial Institution					R	3 661 777,40
	DBSA - 103437/1	Friday, 30 June 2023	23 June 2023	R 854 413,97	R 844 378,66	R	1 698 792,63
	DBSA - 103437/2	Friday, 30 June 2023	23 June 2023	R 29 484,25	R 165 881,56	R	195 365,81
	Sub for Financial Institution					R	1 894 158,44
Ref: 537504	STANDARD BANK - 282024913	Thursday, 29 June 2023	23 June 2023	R 355 356,62	R 1 111 314,16	R	1 466 670,78
Ref: 537648	STANDARD BANK - 282022589	Wednesday, 21 June 2023	23 June 2023	R 50 072,40	R 971 282,33	R	1 021 354,73
Ref: 536665	STANDARD BANK - 082602247	Friday, 30 June 2023	23 June 2023	R 157 116,18	R 868 476,30	R	1 025 592,48
	Sub for Financial Institution					R	3 513 617,99
	NEDBANK - 2017/2018	Friday, 30 June 2023	23 June 2023	R 1 091 457,54	R 1 444 945,95	R	2 536 403,49
	Sub for Financial Institution					R	2 536 403,49

The municipality reports cash and cash equivalents amounting to R80.3 million, this includes cash at bank and short-term investment

BITOU LOCAL MUNICIPALITY

Section 5 – Debtors’ analysis

5.1 Supporting Table SC3

WC047 Bitou - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

Description	NT Code	Budget Year 2022/23										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	6 731	3 176	3 182	2 750	62 963	-	-	-	78 802	65 713	1 838	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	11 798	867	579	407	13 635	-	-	-	27 287	14 043	80	-
Receivables from Non-exchange Transactions - Property Rates	1400	8 003	1 579	1 368	1 140	41 349	-	-	-	53 439	42 489	149	-
Receivables from Exchange Transactions - Waste Water Management	1500	5 192	2 832	2 663	2 589	79 885	-	-	-	93 160	82 474	1 863	-
Receivables from Exchange Transactions - Waste Management	1600	3 031	1 641	1 581	1 669	47 074	-	-	-	54 996	48 743	1 069	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	161	32	189	374	(14 593)	-	-	-	(13 838)	(14 220)	22	-
Total By Income Source	2000	34 917	10 128	9 562	8 928	230 313	-	-	-	293 848	239 241	5 022	-
2021/22 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	421	161	184	69	451	-	-	-	1 287	520	-	-
Commercial	2300	3 036	481	316	282	7 113	-	-	-	11 228	7 395	-	-
Households	2400	31 459	9 485	9 063	8 577	222 749	-	-	-	281 333	231 326	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	34 917	10 128	9 562	8 928	230 313	-	-	-	293 848	239 241	-	-

Debtor’s age analysis

The debtors’ book of the municipality reflects R 230 million on outstanding debtors older than 121 days and a total outstanding amount of R293.8 million. Total debtors has increased by R3 million compared to the month of January 2023.

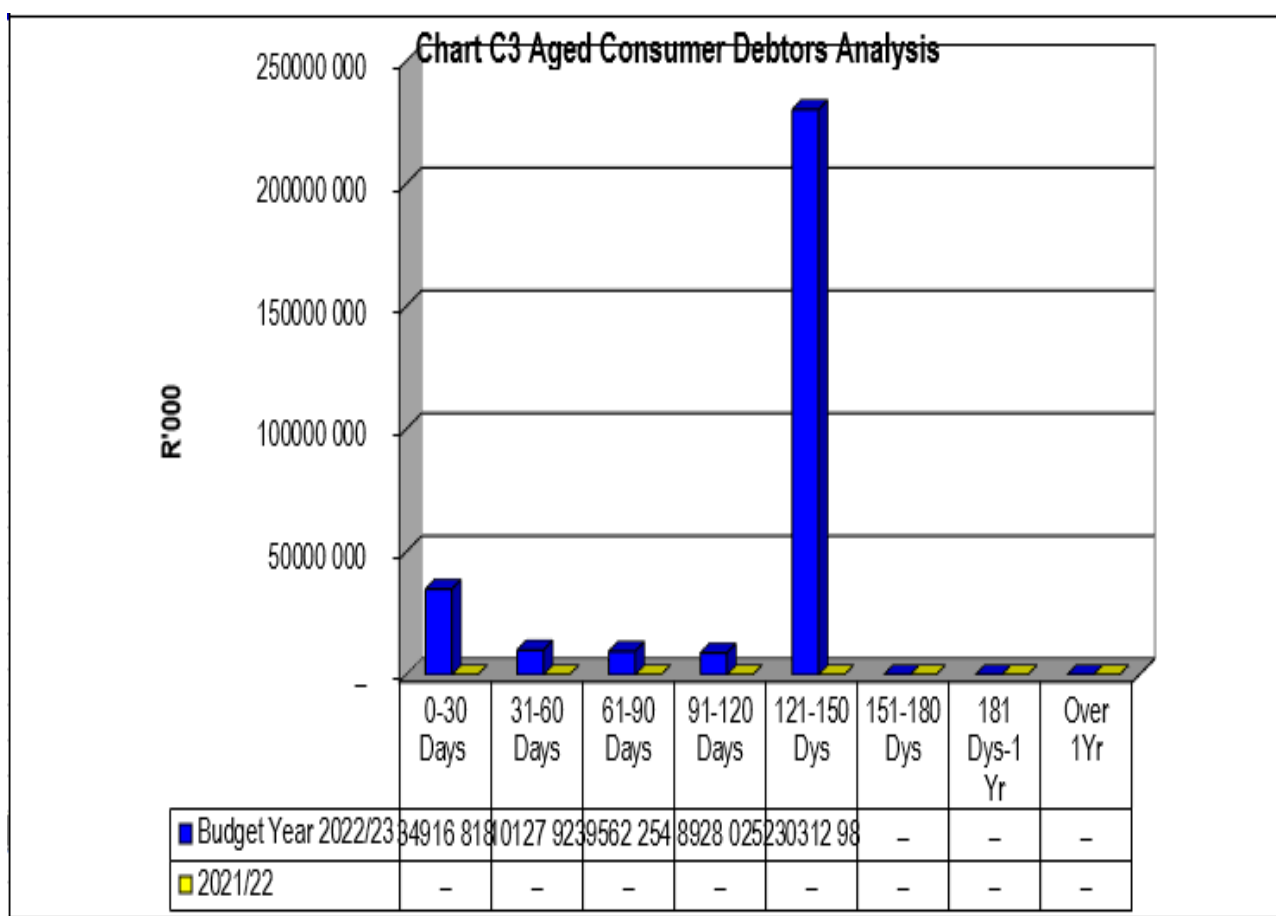
The contributors to the outstanding debt remain the household debt which represent 95.5% of total debt, followed by businesses with 4.3% and organs of state contributing 0.2%

The municipality has monthly debt collection strategies to help ensure that outstanding revenue is collected, which includes blocking prepaid electricity for users in arrears and applying water restrictions in arrears where Eskom is the electricity distributor. Customers are informed prior to these actions being implement by way of a disconnection notice. Disconnection notices are sent monthly out to all customers with outstanding accounts after the due date which is 7th of every month.

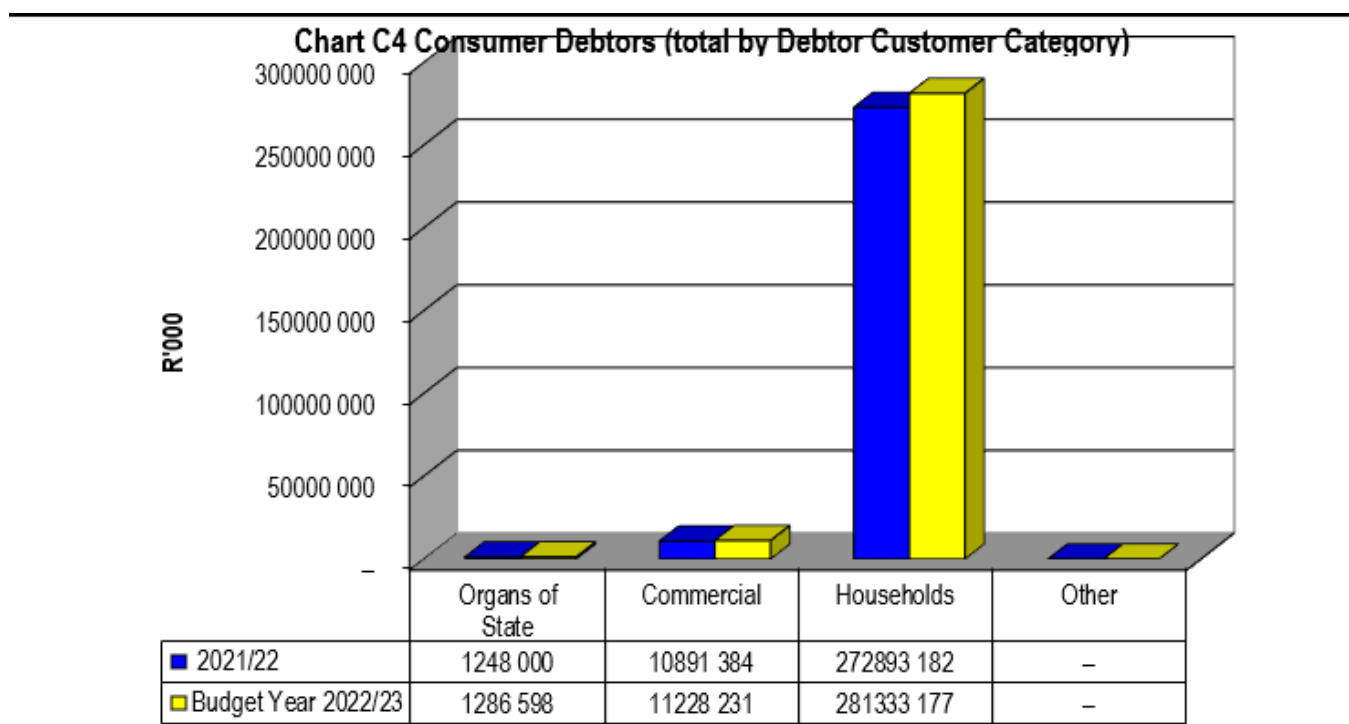
The collection rate for the month of February 2023 is 84.71%. See below debtor payment percentage achieved from December 2022 until February 2023 .

BITOU LOCAL MUNICIPALITY

DEBTOR PAYMENT % ACHIEVED			
DETAILS	22-Dec	23-Jan	23-Feb
Gross Debtors Opening Balance	296 616 507,78	282 874 887,42	290 878 936,15
Billed Revenue	53 985 716,76	55 760 327,81	56 670 020,53
Gross Debtors Closing Balance	282 874 887,42	290 878 936,15	293 848 006,21
Bad Debt Written off	24 516 822,91	-	5 692 985,22
Payment received	43 210 514,21	47 756 279,08	48 007 965,25
Billed Revenue	53 985 716,76	55 760 327,81	56 670 020,53
% Debtor payment achieved	80,04%	85,65%	84,71%



BITOU LOCAL MUNICIPALITY



Section 6 – Creditors' age analysis

6.1 Supporting Table SC4

Table SC4 reflects the trade creditors

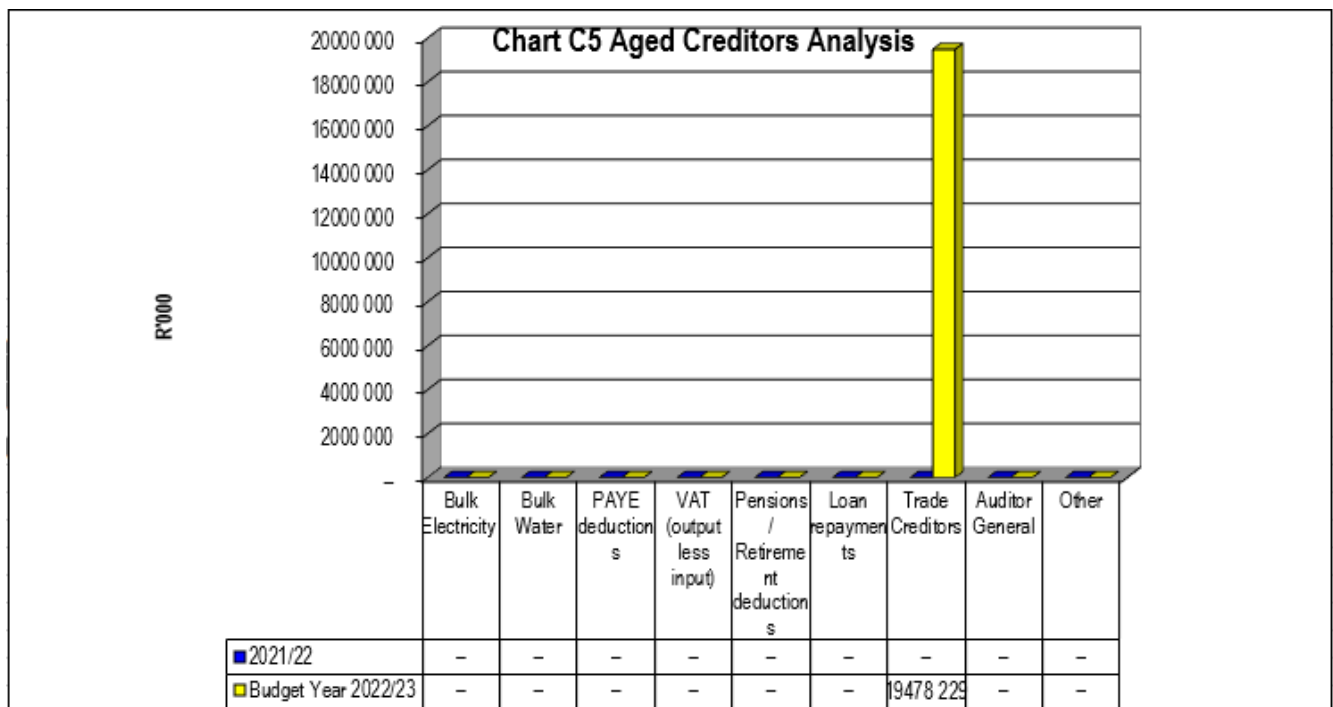
WC047 Bitou - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February											
Description	NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	19 343	-	18	93	25	-	-	-	19 478	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	19 343	-	18	93	25	-	-	-	19 478	-

Creditors Age Analysis

The municipality reports a total amount of R19.5 million on trade creditors in February 2023 compared to R14.7 million reported in January 2023.

Trade creditors older than 30 days amounts to R136 000, which is stock for which the invoice has been received but is queried. The amount on the invoice is more than the order and user department is liaising with supplier to correct the invoices.

BITOU LOCAL MUNICIPALITY



BITOU LOCAL MUNICIPALITY

Section 7 – Investment portfolio analysis

7.1 Supporting Table SC5

WC047 Bitou - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February									
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands		Yrs/Months							
Municipality									
Standard Bank: 48-860-7000-068		Call deposit	Call deposit	Call deposit	28	0,556164468	5 092	28	5 121
Standard Bank: 488607000-070		61 days	Fixed deposit	14/04/2023	-	-	-	7 300	7 300
Standard Bank: 488607000-071		90 days	Fixed deposit	16/05/2023	-	-	-	6 200	6 200
Absa Bank:9377092408		Call deposit	Call deposit	Call deposit	29	-	-	10 329	10 329
Absa Bank:2080918839		120 days	Fixed deposit	15/06/2023	-	-	-	14 200	14 200
Absa Bank:2080917621		120 days	Fixed deposit	15/06/2023	-	-	-	7 300	7 300
First National Bank: 63026047787		Call deposit	Call deposit	Call deposit	28	0,544657589	5 090	28	5 118
Nedbank: 03/7881052406/000101		Call deposit	Call deposit	Call deposit	28	0,548491298	5 092	28	5 120
Nedbank: 03/7881052406/000102		182 days	Fixed deposit	24/04/2023	-	0	6 750	-	6 750
Nedbank: 03/7881052406/000103		Call deposit	Call deposit	16/02/2023	30	-100,293836	10 294	(10 324)	-
Municipality sub-total					143		32 318	35 089	67 438

Investment portfolio analysis

The municipalities has investment with a total value of R67.4 million as at February 2023. Interest earned for the month amounts to R143 204,22.

BITOU LOCAL MUNICIPALITY

Section 8 – Grant Performance

8.1 Supporting Table SC6

Grant Description	Year- To-Date Actual Balance (M08)
WATER SERVICES INFRASTRUCTURE GRANT	1 966 826,17
LOCAL GOVERNMENT, WATER AND RELATED SETA	732 750,54
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT	264 550,22
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	267 615,48
EQUITABLE SHARE	92 893 000,00
HUMAN SETTLEMENT DEVELOPMENT - OPERATIONAL	1 708 642,82
COMMUNITY DEVELOPMENT WORKERS (CDW) - OPERATIONAL	8 976,54
COMMUNITY LIBRARY SERVICES - OPERATIONAL	1 164 836,29
LOCAL GOVERNMENT PUBLIC EMPLOYMENT SUPPORT - OPERATIONAL	127 770,70
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES - OP	7 977 823,36
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT	1 678 985,08
MUNICIPAL INFRASTRUCTURE GRANT	2 036 584,19

110 828 361,39

The table above reflects the income recognition done up until the month of February 2023. Transfers and subsidies amount to R 110.8 million, which includes capital and operational grants.

Grant Description	Year- To-Date Actual Balance (M08)
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT: RECEIPTS	8 718 000,00
MUNICIPAL INFRASTRUCTURE GRANT: RECEIPTS	4 754 000,00
WATER SERVICES INFRASTRUCTURE GRANT: RECEIPTS	4 195 000,00
LOCAL GOVERNMENT, WATER AND RELATED SETA: RECEIPTS	234 900,49
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES	9 572 000,00
EQUITABLE SHARE	92 893 000,00
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT: RECEIPTS	1 721 000,00
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT: RECEIPTS	753 043,49
THUSONG SERVICES CENTRES - OPERATIONAL: RECEIPTS	150 000,00
COMMUNITY LIBRARY SERVICES	2 295 000,00
COMMUNITY DEVELOPMENT WORKERS	19 000,00

125 304 943,98

The table above reflects the grant receipts up until February 2023.

Municipal manager's quality certification

Municipal manager's quality certification

An in-year report must be covered by a quality certificate in the format described below:

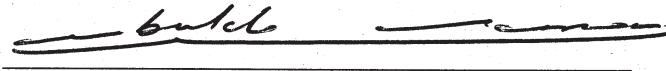
QUALITY CERTIFICATE

I, **Mbulelo Memani**, the Municipal Manager of Bitou Local Municipality, hereby certify that -
(mark as appropriate)

- ☒ The monthly budget statement
- ☐ Quarterly report on the implementation of the budget and financial state of affairs of the municipality
- ☐ Mid-year budget and performance assessment

For the month ended 28 February 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Signature



Print Name: Mr. M Memani

Municipal Manager of Bitou Local Municipality – WC047

Date

13/03/2023