

BITOU LOCAL MUNICIPALITY



**Budget Statement for the month
ended 30 November
2022**

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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 – November Report

1.1 In-Year Report – Monthly Budget Statement

The report outlines the financial performance and position of the municipality for the month ended November 2022. 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 obligation.

As can be seen on the C7 Cash flow statement, the current cash, and cash equivalents as at end of November 2022 amounts to R 58.5 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 30 November 2022.

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.

Consolidated performance

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WC047 Bitou - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

2022/23 Budget Statement: Financial Performance (Revenue and Expenditure) - 30 November										
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		-	159 956	159 956	12 559	64 594	66 648	(2 054)	-3%	159 956
Service charges - electricity revenue		-	207 720	207 720	15 777	83 516	86 550	(3 034)	-4%	207 720
Service charges - water revenue		-	93 277	93 277	7 071	34 976	38 865	(3 889)	-10%	93 277
Service charges - sanitation revenue		-	87 047	87 047	6 788	34 734	36 270	(1 536)	-4%	87 047
Service charges - refuse revenue		-	53 272	53 272	3 837	20 300	22 197	(1 897)	-9%	53 272
Rental of facilities and equipment		-	1 193	1 193	85	421	497	(76)	-15%	1 193
Interest earned - external investments		-	4 600	4 600	431	1 827	1 917	(89)	-5%	4 600
Interest earned - outstanding debtors		-	14 572	14 572	1 708	8 160	6 071	2 088	34%	14 572
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	35 870	35 870	2 264	7 177	14 946	(7 769)	-52%	35 870
Licences and permits		-	1 002	1 002	90	453	418	35	8%	1 002
Agency services		-	2 414	2 414	273	1 144	1 006	138	14%	2 414
Transfers and subsidies		-	153 896	153 896	1 955	55 279	64 123	(8 844)	-14%	153 896
Other revenue		-	7 875	7 875	660	4 337	3 281	1 055	32%	7 875
Gains		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	822 693	822 693	53 498	316 917	342 789	(25 872)	-8%	822 693
Expenditure By Type										
Employee related costs		-	306 473	306 526	24 620	121 077	127 724	(6 647)	-5%	306 526
Remuneration of councillors		-	6 944	6 944	583	2 924	2 893	30	1%	6 944
Debt impairment		-	103 440	103 440	5 961	27 524	43 100	(15 576)	-36%	103 440
Depreciation & asset impairment		-	37 400	37 400	3 117	15 592	15 583	9	0%	37 400
Finance charges		-	10 739	10 739	78	416	4 475	(4 059)	-91%	10 739
Bulk purchases - electricity		-	161 902	161 902	12 487	65 401	67 459	(2 059)	-3%	161 902
Inventory consumed		-	17 674	18 184	1 130	5 535	7 577	(2 042)	-27%	18 184
Contracted services		-	91 004	89 628	2 505	13 457	37 344	(23 887)	-64%	89 628
Transfers and subsidies		-	4 750	4 750	2 550	3 414	1 979	1 435	72%	4 750
Other expenditure		-	78 447	79 261	4 646	23 210	33 024	(9 814)	-30%	79 261
Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		-	818 774	818 774	57 677	278 549	341 159	(62 609)	-18%	818 774
Surplus/(Deficit)		-	3 919	3 919	(4 179)	38 368	1 630	36 738	0	3 919
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	46 335	46 335	1 234	1 759	19 306	(17 547)	(0)	46 335
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	50 254	50 254	(2 945)	40 127	20 936			50 254
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	50 254	50 254	(2 945)	40 127	20 936			50 254
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		-	50 254	50 254	(2 945)	40 127	20 936			50 254
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		-	50 254	50 254	(2 945)	40 127	20 936			50 254

Revenue by Source

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Property Rates

Property rates for the month of November amounts to R12.6 million. The YTD actual amount to R64.5 million compared to YTD budget of R66.6 million that was anticipated, this is equal to 3% under performance. This can mainly be ascribed to the additional rebates on assessment rates incorrectly accounted for in the annual budget, coupled to the supplementary valuation roll that is to be completed later in the financial year.

Electricity

Revenue from electricity as at end of November 2022 amounts to R15.8 million. R83.5 million is the YTD actual and when compared to the YTD budget of R86.5 million it translates to a 4% under performance. Electricity revenue is influenced by consumption that fluctuates during peak and off-peak periods, another matter of concern is the prolonged load shedding that is adding to the decline in electricity sold demand and thus units sold.

Water Service

Water revenue as at end of November 2022 amounts to R34.9 million while YTD budget amounts to R38.8 million. This is an under performance of 10%, a similar trend of underperformance reported in October and September 2022. The variance can mainly be ascribed to the off-season period as well as the colder winter months when water consumption is less. We anticipate improvement in the performance of the service as we're entering in a warmer season as well as the peaking of consumption over the festive season.

Sanitation Service

Sanitation revenue as at end of November 2022 amounts to R34.7 million while YTD budget amounts to R36.2 million. This translates to 4% under performance, same as compared to the underperformance reported in October 2022. Even though the percentage remains the same as what we saw in the previous months, a slight positive movement in the revenue source is evident. This category of revenue will be closely monitored to determine whether an adjustment is necessary after the mid-year budget assessment.

Refuse Service

Refuse revenue as at end of November 2022 amounts R20.3 million while the YTD budget amounts to R22.2 million. This translates to an under performance of 8%. This category of revenue will need to be investigated as the underperformance is getting worse and it seems that revenue targets will not be met and a downward adjustment in the revenue may be immanent.

Rental of Facilities and Equipment

The revenue for rental of facilities and equipment as at end of November 2022 amounts to R421 215.51 This source of revenue is under-performing by 15% compared to the YTD budget of R497 180. This source of revenue has consistently under performed over the past five months. Revenue from this source is dependent on the community's need to make use of municipality's various facilities and 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 November 2022 amounts to R1.8 million and R8.1 million respectively while the YTD budget amounts to R1.9 million and R6.0 million respectively. The municipality has recently started to again invest in short term and call deposits, and this has resulted to reduce the YTD variance from -9% to -5%. The interest charged on outstanding debtors is over performing by 34% compared to the YTD budget. Although this source of revenue is over performing, it is doubtful that the municipality would be able to collect it.

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Revenue for fines, penalties and forfeits

Revenue from Fines as at end of November 2022 amounts to R7.1 million compared to the YTD budget of R14.9 million. This is an under performance of 52%, a slight improvement from October 2022. No information was received from Traffic Services in order to recognise revenue from fines as the service provider is currently in a cooling off period and no additional fines have been generated since October 2022. The new traffic fines management contract has been awarded and an increase can be expected in the following months.

Transfers and Subsidies

Revenue from Transfers and Subsidies amounts to R1.9 million for the month of November 2022. Revenue from Transfers and Subsidies is under performing by 14% as at November 2022 but it is anticipated that it will increase after the roll-over budget approval.

Other revenue

Other revenue as at end of November 2022 amounts to R659 899. This is 32% 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 as at end of November 2022 amounts to R53.5 million compared to the R51.4 million reported in the previous month. A slight increase due to interest rate changes and agency fees has improved the revenue collection. This excludes revenue from capital contributions.

Expenditure

Employee related cost

Employee related cost as at end of November 2022 amounts to R121 million, while the YTD budget amounts to R127.7 million. This translates to an under performance of 5%. Payment of overtime remains a challenge for the municipality. Acting and secondments to vacant positions have been stopped however bonuses have been paid out this month. 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 November 2022 amounts to R2.9 million. This expenditure item is slightly over performing by 1% when compared to the YTD budget. Increases in councillor remuneration was processed in September 2022.

Debt Impairment

Debt Impairment as at end of November amounted to R27.5 million. The YTD budget amounts to R43.1 million. This translates to an under performance of 36%. No provision for debt impairment is reported as at November 2022, only bad debts written off is currently recorded for this expenditure category. The provision for debt impairment is only made upon the closing of the books and will in all probability increase this item to budgetary levels.

Bulk Purchases

Bulk purchases relate to payments made to Eskom for electricity, the expenditure as at end of November 2022 amounts to R65.4 million compared to R67.5 million YTD budget, thus

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reporting an under performance of 3%. Payment of Eskom invoices are due 30 days after the invoice was issued, therefore expenditure reflecting in November relates to October invoices.

It is expected that this trend will continue until the closure of the books where the accrual for the June 2023 account will absorb the excess budgetary provision.

Depreciation

Depreciation as at the end of November 2022 amounts to R15.5 million while the YTD budget amounts to R15.5 million. This item is still performing as anticipated with no 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 November 2022 amounts to R5.5 million while the YTD budget amounts to R7.5 million. This expenditure item is under-performing by 27% when compared to the YTD budget. This expenditure type relates to the consumption of materials and supplies/inventory at the stores and has improved immensely from October 2022 when an underspending of 52% was evident.

Contracted Services

Expenditure as at end of November 2022 amounts to R13.5 million and under-performing by 64% when compared to the YTD budget of R37.3 million. It is anticipated that this category of expenditure will increase towards the conclusion of the financial year.

Transfers and subsidies

Expenditure reported for the month amounted to R2.5 million. The YTD actual amounts R3.4 million compared to the YTD budget of R1.9 million. An over performance of 72% is reported for the month ended November 2022. The Remainder of the allocation was paid over and thus the higher increase in the expenditure. This is in line with projects as set out in the MOU from the Tourism Association.

Other expenditure

Other expenditure as at end of November 2022 amounts to R23.2 million while the YTD budget amounts to R33.0 million, which translates to an under performance of 30%. 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 November 2022 amounts to R278.5 million. The municipality is reporting an operating deficit of R2.9 million for the month of November 2022 and a surplus of R40.1 million for the YTD actual.

Conclusion on Financial Position and performance

The financial performance as at end of November 2022 is still concerning as the current cash flow is not sufficient to sustain operations in the short, medium as well as the long term and the current ratio is far below 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 30 November 2022.

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WC047 Bitou - Table C1 Monthly Budget Statement Summary - M05 November

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	-	159 956	159 956	12 559	64 594	66 548	(2 054)	-3%	159 956
Service charges	-	441 315	441 315	33 473	173 525	183 881	(10 356)	-6%	441 315
Investment revenue	-	4 600	4 600	431	1 827	1 917	(89)	-5%	4 600
Transfers and subsidies	-	153 896	153 896	1 955	55 279	64 123	(8 844)	-14%	153 896
Other own revenue	-	62 926	62 926	5 081	21 691	26 219	(4 528)	-17%	62 926
Total Revenue (excluding capital transfers and contributions)	-	822 693	822 693	53 488	316 917	342 789	(25 872)	-8%	822 693
Employee costs	-	306 473	306 526	24 620	121 077	127 724	(6 647)	-5%	306 526
Remuneration of Councillors	-	6 944	6 944	583	2 924	2 893	30	1%	6 944
Depreciation & asset impairment	-	37 400	37 400	3 117	15 592	15 583	9	0%	37 400
Finance charges	-	10 739	10 739	78	416	4 475	(4 059)	-91%	10 739
Materials and bulk purchases	-	179 576	180 086	13 617	70 936	75 036	(4 100)	-5%	180 086
Transfers and subsidies	-	4 750	4 750	2 550	3 414	1 979	1 435	72%	4 750
Other expenditure	-	272 892	272 329	13 112	64 191	113 469	(49 278)	-43%	272 329
Total Expenditure	-	818 774	818 774	57 677	278 549	341 159	(62 609)	-18%	818 774
Surplus/(Deficit)	-	3 919	3 919	(4 179)	38 368	1 630	36 738	2254%	3 919
Transfers and subsidies - capital (monetary allocations)	-	46 335	46 335	1 234	1 759	19 306	(17 547)	-91%	46 335
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	50 254	50 254	(2 945)	40 127	20 936	19 190	92%	50 254
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	50 254	50 254	(2 945)	40 127	20 936	19 190	92%	50 254
Capital expenditure & funds sources									
Capital expenditure	-	98 450	98 450	1 258	3 164	33 945	(30 781)	-91%	98 450
Capital transfers recognised	-	41 078	41 078	403	1 933	14 828	(12 895)	-67%	41 078
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	38 843	38 843	408	614	12 167	(11 553)	-95%	38 843
Internally generated funds	-	18 529	18 529	446	617	6 950	(6 333)	-91%	18 529
Total sources of capital funds	-	98 450	98 450	1 258	3 164	33 945	(30 781)	-91%	98 450
Financial position									
Total current assets	-	272 028	272 028	-	155 753	-	-	-	272 028
Total non current assets	-	1 345 582	1 345 582	-	1 208 205	-	-	-	1 345 582
Total current liabilities	-	150 778	150 778	-	84 670	-	-	-	150 778
Total non current liabilities	-	226 140	226 140	-	156 695	-	-	-	226 140
Community wealth/Equity	-	1 240 692	1 240 692	-	1 120 593	-	-	-	1 240 692
Cash flows									
Net cash from (used) operating	-	120 049	120 049	(7 842)	15 008	50 020	35 012	70%	120 049
Net cash from (used) investing	-	(98 450)	(98 450)	(1 258)	(3 173)	(41 021)	(37 848)	92%	(98 450)
Net cash from (used) financing	-	(21 828)	(21 828)	(371)	(1 982)	(9 095)	(7 113)	78%	(21 828)
Cash/cash equivalents at the month/year end	-	110 234	110 234	-	58 481	110 368	51 888	47%	48 398
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	33 172	11 962	11 016	10 576	229 891	-	-	-	296 617
Creditors Age Analysis									
Total Creditors	584	866	113	-	-	-	-	-	1 562

Financial Performance Expenditure by Municipal Vote

Revenue by vote

The performance of revenue by vote as at end November 2022 amounts to R318.6 million, this is under performance of 12% when compared to the YTD. The detail on revenue per item can be seen on executive summary.

Expenditure by vote

The expenditure by vote as at November amounts R278.5 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) - M05 November

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	-	-	1 216	(1 216)	-100,0%	2 918
Vote 2 - Office of the Municipal Manager		-	55 066	55 066	150	50 795	22 944	27 851	121,4%	55 066
Vote 3 - Community Services		-	139 714	139 714	8 683	35 274	58 214	(22 940)	-39,4%	139 714
Vote 4 - Corporate Services		-	-	-	53	522	-	522	#DIV/0!	-
Vote 5 - Financial Services		-	181 221	181 221	13 412	68 711	75 509	(6 798)	-9,0%	182 942
Vote 6 - Economic Development & Planning		-	4 202	4 202	486	2 743	1 751	992	56,7%	4 202
Vote 7 - Engineering Services		-	485 908	485 908	31 946	160 632	202 462	(41 830)	-20,7%	485 908
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	-	869 028	869 028	54 732	318 676	362 095	(43 419)	-12,0%	870 749
Expenditure by Vote	1									
Vote 1 - Council		-	9 773	9 773	673	3 715	4 072	(357)	-8,8%	9 773
Vote 2 - Office of the Municipal Manager		-	30 026	30 026	2 256	10 704	12 510	(1 806)	-14,4%	30 026
Vote 3 - Community Services		-	228 348	228 348	14 707	78 081	95 143	(17 063)	-17,9%	228 348
Vote 4 - Corporate Services		-	68 794	68 794	3 333	18 395	26 664	(10 268)	-35,8%	68 794
Vote 5 - Financial Services		-	66 371	66 371	4 914	20 459	27 661	(7 202)	-26,0%	82 925
Vote 6 - Economic Development & Planning		-	24 488	24 488	4 131	11 100	10 203	897	8,8%	24 488
Vote 7 - Engineering Services		-	390 974	390 974	27 663	136 095	162 905	(26 810)	-16,5%	390 974
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	-	818 774	818 774	57 677	278 549	341 159	(62 609)	-18,4%	835 328
Surplus/ (Deficit) for the year	2	-	50 254	50 254	(2 945)	40 127	20 936	19 190	91,7%	35 421

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Capital expenditure

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November

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		-	1 400	1 400	-	-	583	(583)	-100%	1 400
Vote 4 - Corporate Services		-	1 804	1 804	41	41	752	(710)	-94%	1 804
Vote 5 - Financial Services		-	600	600	-	-	250	(250)	-100%	600
Vote 6 - Economic Development & Planning		-	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services		-	45 556	45 556	424	468	16 762	(16 294)	-97%	45 556
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	-	49 360	49 360	465	510	18 347	(17 837)	-97%	49 360
Single Year expenditure appropriation	2									
Vote 1 - Council		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Community Services		-	9 026	9 026	380	723	3 703	(2 980)	-80%	9 026
Vote 4 - Corporate Services		-	635	635	-	1	265	(263)	-100%	635
Vote 5 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 6 - Economic Development & Planning		-	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services		-	39 429	39 429	413	1 930	11 630	(9 700)	-83%	39 429
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	-	49 090	49 090	793	2 654	15 598	(12 943)	-83%	49 090
Total Capital Expenditure	3	-	98 450	98 450	1 258	3 164	33 945	(30 781)	-91%	98 450
Capital Expenditure - Functional Classification										
Governance and administration		-	3 835	3 835	41	243	1 598	(1 355)	-85%	3 835
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	3 835	3 835	41	243	1 598	(1 355)	-85%	3 835
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	8 204	8 204	380	508	3 361	(2 852)	-85%	8 204
Community and social services		-	3 930	3 930	257	257	1 637	(1 381)	-84%	3 930
Sport and recreation		-	3 794	3 794	123	251	1 523	(1 272)	-84%	3 794
Public safety		-	480	480	-	-	200	(200)	-100%	480
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	10 790	10 790	129	129	1 530	(1 401)	-92%	10 790
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	10 790	10 790	129	129	1 530	(1 401)	-92%	10 790
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	75 621	75 621	707	2 283	27 456	(25 173)	-92%	75 621
Energy services		-	21 116	21 116	523	1 611	10 473	(8 860)	-85%	21 116
Water management		-	40 579	40 579	164	655	13 438	(12 783)	-95%	40 579
Waste water management		-	12 400	12 400	-	3	2 911	(2 908)	-100%	12 400
Waste management		-	1 526	1 526	-	14	636	(622)	-98%	1 526
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	98 450	98 450	1 258	3 164	33 945	(30 781)	-91%	98 450
Funded by:										
National Government		-	35 048	35 048	384	1 914	13 090	(11 177)	-85%	35 048
Provincial Government		-	6 030	6 030	19	19	1 737	(1 718)	-98%	6 030
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	41 078	41 078	403	1 933	14 828	(12 895)	-87%	41 078
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	38 843	38 843	408	614	12 167	(11 553)	-95%	38 843
Internally generated funds		-	18 529	18 529	446	617	6 950	(6 333)	-91%	18 529
Total Capital Funding		-	98 450	98 450	1 258	3 164	33 945	(30 781)	-91%	98 450

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Capital Expenditure Analysis

Capital Expenditure for the month ended 30 November 2022 amounts to R1 258 mil and YTD expenditure as at end of November 2022 amounts to R3 164 mil.

It should be noted that majority of the approved capital projects are still at 3% 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 the spending has slowed down from previous report to an amount of R1 258 mil, we further anticipated an improved performance in spending in the current month however the commitments (shadow balances) loaded on the FMS amounting to R 46 896 mil, which translate to 47.6% 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	Original Budget	Monthly Actual	Shadow Balance	YTD Expenditure
MIG	19 572 174.00	164 074.01	12 007 737.61	16 228 392.72
INEP	7 580 869.00	146 685.62	6 431 264.62	77 176.06
WSIG	7 894 782.00	73 489.92	6 691 015.22	7 364 883.44
HOUSING	6 000 000.00	0	0	6 000 000.00
MRF	30 000.00	19 190.23	3 060.00	26 940.00
BORROWINGS	38 843 300.00	408 139.17	17 841 589.62	23 662 622.68
AFR	18 528 900.00	446 340.50	3 921 997.88	14 779.41
TOTAL	R98 450 025.00	1 257 919.45	46 896 664.95	3 164 073.03

BITOU LOCAL MUNICIPALITY

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

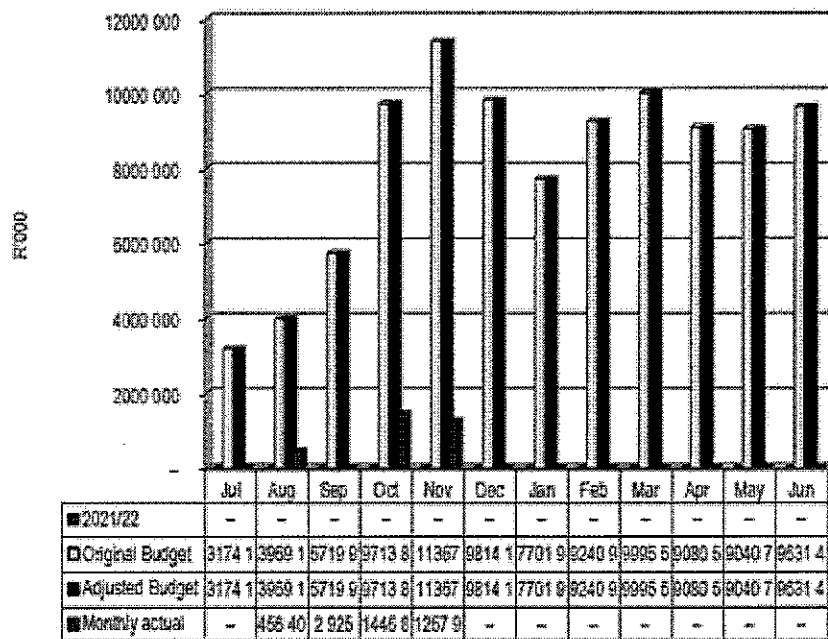
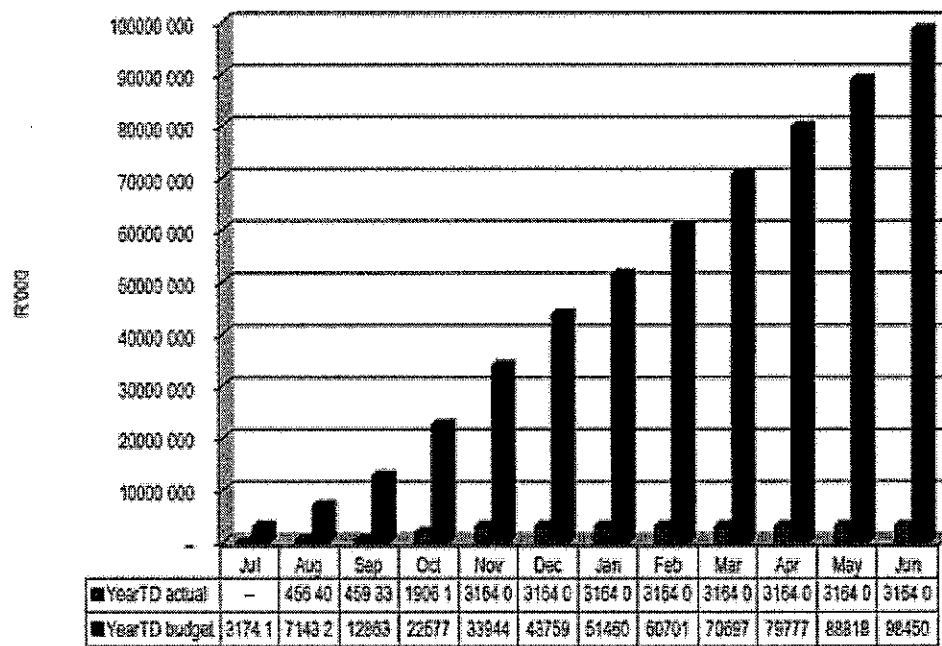


Chart C2 2022/23 Capital Expenditure: YTD actual v YTD target



BITOU LOCAL MUNICIPALITY

Statement of Financial Position

WC047 Bitou - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		–	27 525	27 525	8 162	27 525
Call investment deposits		–	85 710	85 710	50 396	85 710
Consumer debtors		–	112 671	112 671	64 108	112 671
Other debtors		–	29 921	29 921	10 127	29 921
Current portion of long-term receivables		–	–	–	9	–
Inventory		–	16 201	16 201	22 951	16 201
Total current assets		–	272 028	272 028	155 753	272 028
Non current assets						
Long-term receivables		–	–	–	1	–
Investments		–	–	–	9 857	–
Investment property		–	25 663	25 663	12 692	25 663
Investments in Associate		–	–	–	–	–
Property, plant and equipment		–	1 319 883	1 319 883	1 183 619	1 319 883
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		–	(0)	(0)	–	(0)
Other non-current assets		–	35	35	35	35
Total non current assets		–	1 345 582	1 345 582	1 206 205	1 345 582
TOTAL ASSETS		–	1 617 610	1 617 610	1 361 959	1 617 610
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	(328)	(328)	–	(328)
Consumer deposits		–	9 948	9 948	10 339	9 948
Trade and other payables		–	91 269	91 269	21 702	91 269
Provisions		–	49 889	49 889	52 629	49 889
Total current liabilities		–	150 778	150 778	84 670	150 778
Non current liabilities						
Borrowing		–	104 142	104 142	86 153	104 142
Provisions		–	121 998	121 998	70 542	121 998
Total non current liabilities		–	226 140	226 140	156 695	226 140
TOTAL LIABILITIES		–	376 918	376 918	241 365	376 918
NET ASSETS	2	–	1 240 692	1 240 692	1 120 593	1 240 692
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		–	1 114 615	1 114 615	1 102 043	1 114 615
Reserves		–	126 077	126 077	18 550	126 077
TOTAL COMMUNITY WEALTH/EQUITY	2	–	1 240 692	1 240 692	1 120 593	1 240 692

The table above reflects the statement of financial position of the municipality. The total current assets at the end of November 2022 amounts to 155.7 million compared to R 184.6 million reported in October 2022. This is significant decrease compared to the previous month and is as a result of an decrease of the cash and other debtors reported. The municipality reports in short-term investments of R50.3 million and cash of R8.1 million in November. The municipality reports a positive cashbook balance of R6.6 million.

BITOU LOCAL MUNICIPALITY

The current liabilities for the month amounts to R84.6 million compared to R103.3 million in the previous month, which is due to a significant decrease in trade and other payables and provisions. The current ratio for the month equates 1.83: 1, which is within the acceptable National Treasury norm, yet not within best practice norms. This means that the municipality is able to cover its short term obligations. It should be noted that current ratio has increased from the 1.79:1 in October 2022. 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 - M05 November

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		-	159 956	159 956	12 781	65 133	66 648	(1 515)	-2%	159 956
Service charges		-	375 118	375 118	33 363	156 515	156 299	216	0%	375 118
Other revenue		-	38 050	38 050	8 056	16 539	15 854	685	4%	38 050
Transfers and Subsidies - Operational		-	153 896	153 896	796	53 335	64 123	(10 788)	-17%	153 896
Transfers and Subsidies - Capital		-	46 335	46 335	1 217	14 056	19 306	(5 250)	-27%	46 335
Interest		-	4 600	4 600	2 102	10 167	1 917	8 250	430%	4 600
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		-	(644 455)	(644 455)	(63 538)	(296 908)	(268 523)	28 385	-11%	(644 455)
Finance charges		-	(8 700)	(8 700)	(78)	(416)	(3 625)	(3 209)	89%	(8 700)
Transfers and Grants		-	(4 750)	(4 750)	(2 550)	(3 414)	(1 979)	1 435	-72%	(4 750)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	120 049	120 049	(7 842)	15 008	50 020	35 012	70%	120 049
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		-	(98 450)	(98 450)	(1 258)	(3 173)	(41 021)	(37 848)	92%	(98 450)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(98 450)	(98 450)	(1 258)	(3 173)	(41 021)	(37 848)	92%	(98 450)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	129	491	-	491	0%	-
Payments										
Repayment of borrowing		-	(21 828)	(21 828)	(499)	(2 473)	(9 095)	(6 622)	73%	(21 828)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(21 828)	(21 828)	(371)	(1 982)	(9 095)	(7 113)	78%	(21 828)
NET INCREASE/ (DECREASE) IN CASH HELD		-	(229)	(229)	(9 471)	9 853	(96)			(229)
Cash/cash equivalents at beginning:		-	110 464	110 464		48 627	110 464			48 627
Cash/cash equivalents at month/year end:		-	110 234	110 234		58 481	110 368			48 398

The municipality is reporting a positive R15.0 million on monthly actual net cash from operating activities compared to the R881 377.8 on monthly actual net cash from operating activities for last month. These are mostly month to month operating expenses and operating income.

Monthly actual net cash (used) on investing activities is reported at R1.2 million is mostly influenced by spending on capital projects, expenditure is expected to increase in the next months.

The net cash (used) for financing activities are mostly influenced by the repayment of loans. The repayment of loans as at November 2022 amounts to R2.4 million and expected to increase significantly with the next redemption taking place in December 2022 amounting to R12.1 million.

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December 2022 Future Payments:					R 12,183,119.64
Bank/ Loan Reference	Amortisation Date	Future Payment Date	Interest Amount	Redemption Amount	Total Instalment
ABSA - 2015/2016	Friday, December 30, 2022	23 December 2022	R 558,683.45	R 1,089,511.71	R 1,648,195.16
ABSA - 2016/2017	Friday, December 30, 2022	23 December 2022	R 781,731.12	R 1,231,851.12	R 2,013,582.24
Sub for Financial Institution				R 2,321,362.83	R 3,661,777.40
DBSA - 100225/1	Friday, December 30, 2022	23 December 2022	R 22,555.48	R 412,000.01	R 434,555.49
DBSA - 103437/1	Friday, December 30, 2022	23 December 2022	R 911,295.00	R 787,497.63	R 1,698,792.63
DBSA - 103437/2	Friday, December 30, 2022	23 December 2022	R 38,668.25	R 156,697.56	R 195,365.81
Sub for Financial Institution				R 1,356,195.20	R 2,328,713.93
STANDARD BANK - 282024913	Thursday, December 29, 2022	23 December 2022	R 417,536.62	R 1,049,134.17	R 1,466,670.79
STANDARD BANK - 282022589	Saturday, December 31, 2022	23 December 2022	R 104,149.32	R 917,205.40	R 1,021,354.72
STANDARD BANK - D82602247	Friday, December 30, 2022	23 December 2022	R 205,004.54	R 820,587.94	R 1,025,592.48
Sub for Financial Institution				R 2,786,927.51	R 3,513,617.99
NEDBANK - 2017/2018	Friday, December 30, 2022	23 December 2022	R 1,169,678.31	R 1,366,725.18	R 2,536,403.49
NEDBANK	Friday, December 30, 2022	Debit Order	R 36,837.59	R 105,769.23	R 142,606.83
Sub for Financial Institution					R 2,679,010.32

The municipality reports cash and cash equivalents amounting to R58.5 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 - M05 November

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	6 095	3 590	3 607	3 448	62 765	-	-	-	79 505	66 213	4 320	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	9 594	982	618	660	13 053	-	-	-	24 906	13 713	117	-
Receivables from Non-exchange Transactions - Property Rates	1400	7 947	1 744	1 387	1 256	39 434	-	-	-	51 767	40 690	180	-
Receivables from Exchange Transactions - Waste Water Management	1500	5 583	3 521	3 343	3 283	80 149	-	-	-	95 798	83 352	-	-
Receivables from Exchange Transactions - Waste Management	1600	3 518	2 055	1 971	1 891	47 214	-	-	-	56 650	49 105	1 332	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	436	69	90	119	(12 725)	-	-	-	(12 010)	(12 606)	13	-
Total By Income Source	2000	33 172	11 962	11 016	10 576	229 891	-	-	-	296 617	240 456	5 961	-
2021/22 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	205	77	63	60	408	-	-	-	812	458	-	-
Commercial	2300	3 678	486	516	533	7 385	-	-	-	12 611	7 918	-	-
Households	2400	29 289	11 387	10 437	9 982	222 097	-	-	-	283 193	232 060	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	33 172	11 962	11 016	10 576	229 891	-	-	-	296 617	240 456	-	-

Debtor's age analysis

The debtors' book of the municipality reflects R 229.8 million on outstanding debtors older than 121 days and a total outstanding amount of R296.6 million with total write-offs amounting to R5.9 million for the period. Total debtors has increased by R1.6 million compared to the month of October 2022.

In November 2021, the total outstanding debt amounted to R273.9 million, however a total of R11.2 million was written off for the same period.

The contributors to this huge debts still remains the household debt which represents 95.5% of the total debt, followed by businesses with 4.3% and organs of state contributing 0.2%

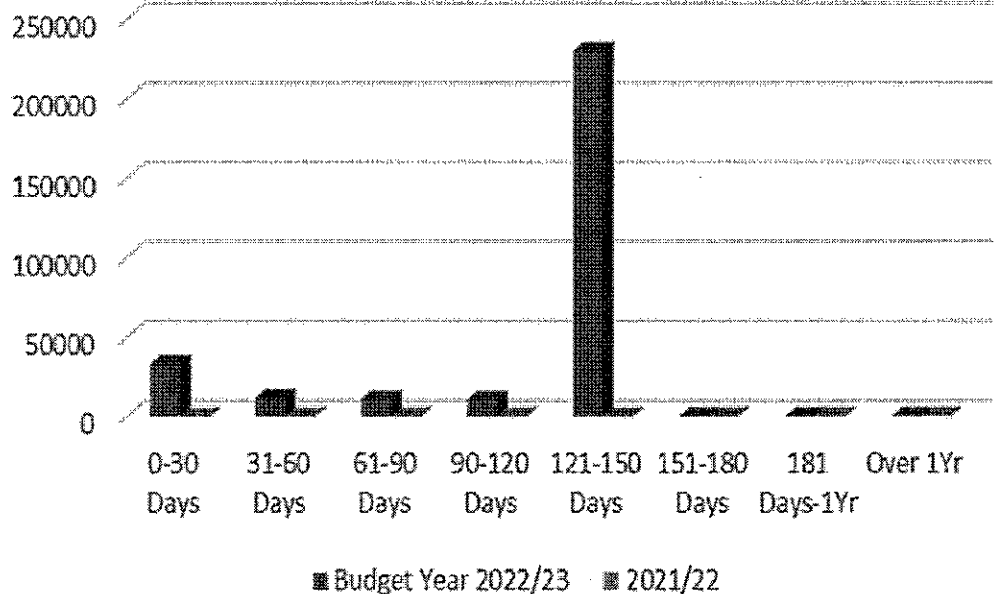
The municipality has monthly debt collection strategies to help ensure that outstanding revenue is collected, which includes blocking prepaid electricity for users in arrears and applying water restrictions in arrears where Eskom is the electricity distributor. Customers are informed prior to these actions 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 November 2022 is 83.78%. See below debtor payment percentage achieved from July 2022 until November 2022.

BITOU LOCAL MUNICIPALITY

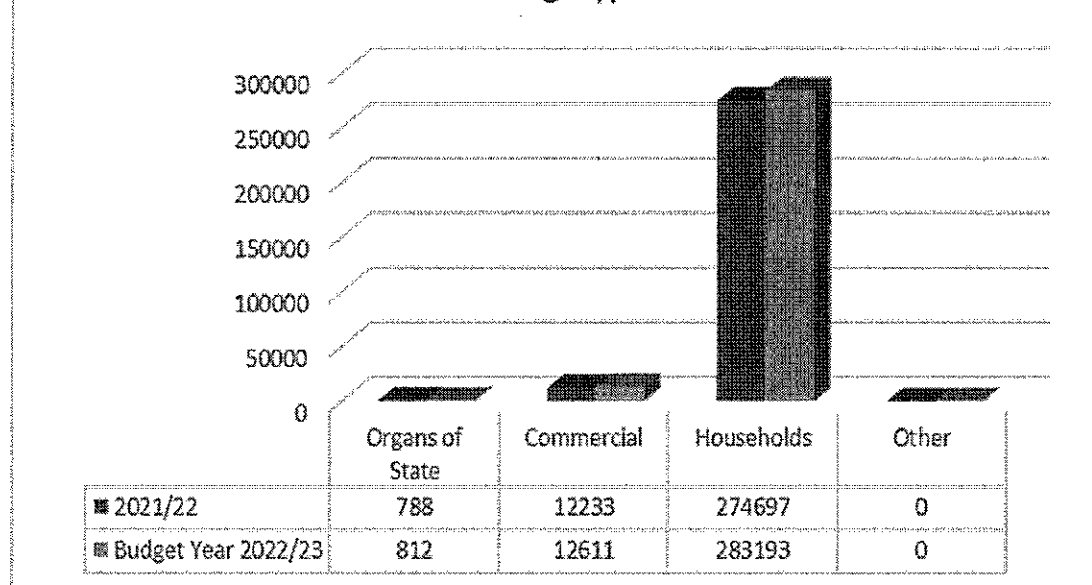
	DEBTOR PAYMENT % ACHIEVED				
	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22
Gross Debtors Opening Balance	278 242 506,48	305 456 917,62	289 353 632,76	291 397 858,06	294 972 033,33
Billed Revenue	56 860 904,82	54 058 809,47	54 827 249,00	53 104 478,97	51 961 789,14
Gross Debtors Closing Balance	305 456 917,62	289 353 632,76	291 397 858,06	294 972 033,33	296 616 507,78
Bad Debt Written off	-	18 269 695,68	5 061 253,40	937 657,19	6 781 389,24
Payment received	29 646 493,68	51 892 398,65	47 721 770,30	48 592 646,51	43 535 925,45
Billed Revenue	56 860 904,82	54 058 809,47	54 827 249,00	53 104 478,97	51 961 789,14
% Debtor payment achieved	52,14%	95,99%	87,04%	91,50%	83,78%

Chart C3 Aged Consumer Debtors Analysis



BITOU LOCAL MUNICIPALITY

Chart C4 Consumer Debtors (total by Debtors Customer Category)



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 - M05 November

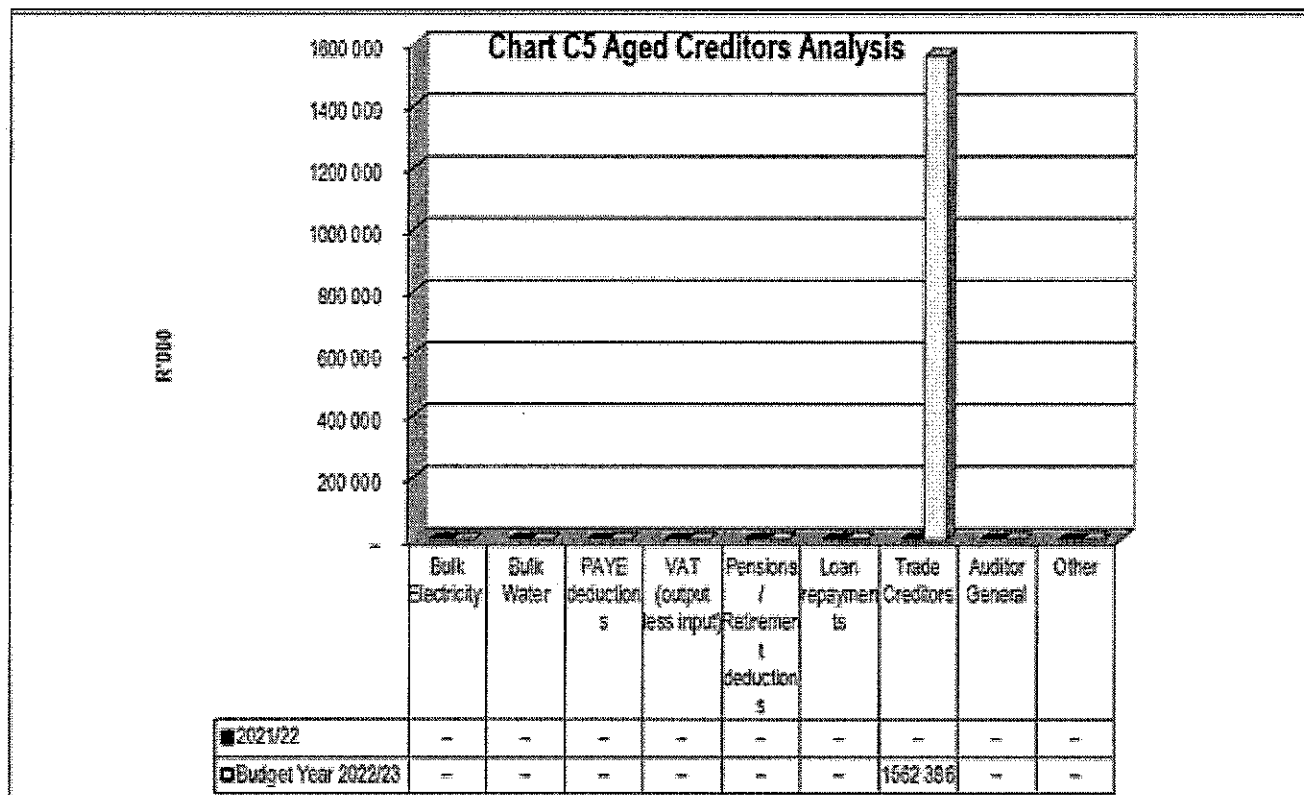
Budget Year 2022/23												Prior year totals for chart (same period)
Description	NT Code	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	584	866	113	-	-	-	-	-	1 562	-	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	
Other	0900	-	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	584	866	113	-	-	-	-	-	1 562	-	

Creditors Age Analysis

The municipality reports a total amount of R1.5 million on trade creditors in November 2022 compared to R1.5 million reported in November 2021.

Trade creditors older than 30 days amounts to R 979 000, 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.

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 - M05 November

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	26	0,523972551	5 006	26	5 032
Standard Bank: 48-860-7000-069		91 days	Fixed deposit	23/01/2023	-	0	18 550	-	18 550
First National Bank: 63026047787		Call deposit	Call deposit	Call deposit	26	0,513698643	5 006	26	5 032
First National Bank: 76201497122		91 days	Fixed deposit	23/01/2023	-	0	10 000	-	10 000
Nedbank: 03/7881052406/000101		Call deposit	Call deposit	Call deposit	26	0,51780762	5 007	26	5 033
Nedbank: 03/7881052406/000102		182 days	Fixed deposit	24/04/2023	-	0	6 750	-	6 750
Nedbank: 03/7881052406/000075		LONG TERM	Fixed deposit	30/12/2022	-	0	9 857	-	9 857
-		-			-		-	-	-
-		-			-		-	-	-
-		-			-		-	-	-
Municipality sub-total					78		60 176	78	60 254

Investment portfolio analysis

The municipality still reports one long-term investment with a market value of R9.8 million and short-term investments to the value of R50.3 million as at November 2022. Interest earned for the month amounts to R 77 870.29.

BITOU LOCAL MUNICIPALITY

Section 8 – Grant Performance

8.1 Supporting Table SC6

Grant Description	Year- To-Date Actual Balance (M05)
WATER SERVICES INFRASTRUCTURE GRANT	609 383,30
LOCAL GOVERNMENT, WATER AND RELATED SETA	774 379,31
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT	134 543,69
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	296 663,69
EQUITABLE SHARE	50 317 000,00
HUMAN SETTLEMENT DEVELOPMENT - OPERATIONAL	1 021 924,62
COMMUNITY DEVELOPMENT WORKERS (CDW) - OPERATIONAL	8 699,05
COMMUNITY LIBRARY SERVICES - OPERATIONAL	476 189,92
LOCAL GOVERNMENT PUBLIC EMPLOYMENT SUPPORT - OPERATIONAL	150 515,25
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES - OP	3 822 276,90
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT: RECEIPTS	1 372 710,78
MUNICIPAL INFRASTRUCTURE GRANT: RECEIPTS	190 103,93

57 611 575,73

The table above reflects the income recognition done up until the month of November 2022. Transfers and subsidies amount to R57.6 million, which includes capital and operational grants.

Grant Description	Year- To-Date Actual Balance (M04)
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT: RECEIPTS	4 359 000,00
MUNICIPAL INFRASTRUCTURE GRANT: RECEIPTS	4 754 000,00
WATER SERVICES INFRASTRUCTURE GRANT: RECEIPTS	4 195 000,00
LOCAL GOVERNMENT, WATER AND RELATED SETA: RECEIPTS	33 981,03
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT: RECEIPTS	1 721 000,00
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT: RECEIPTS	452 173,92

15 515 154,95

The table above reflects the grant receipts up until November 2022. Capital receipts amount to R13.3 million, while operational amounts to R2.2 million.

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:

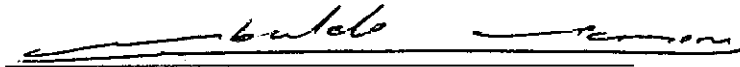
QUALITY CERTIFICATE

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 ending 30 November 2022 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

13-12-2022