

BITOU LOCAL MUNICIPALITY



Budget Statement for the month ended 31 August 2023



Table of Contents

Table of Contents.....	2
Glossary	3
Legislative Framework	5
Section 1 – August Report	5
Section 2 – Resolutions	5
Section 3 – Executive Summary	5
Section 4 – In-year budget statement tables	10
Section 5 – Debtors’ analysis	19
Section 6 – Creditors' age analysis	21
Section 7 – Investment portfolio analysis.....	22
Section 8 – Grant Performance.....	23
Municipal manager’s quality certification.....	24

BITOU LOCAL MUNICIPALITY

Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may adjust 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.

BITOU LOCAL MUNICIPALITY

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.

BITOU LOCAL MUNICIPALITY

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 – August Report

1.1 In-Year Report – Monthly Budget Statement

The report outlines the financial performance and position of the municipality for the month ended August 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 August 2023 amounts to R 191.6 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 2023/2024

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 31 August 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.

BITOU LOCAL MUNICIPALITY

Consolidated performance

WC047 Bitou - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue		–	500 877	500 877	43 304	82 425	82 785	(360)	0%	500 877
Service charges - Electricity		–	241 830	241 830	20 523	39 837	40 305	(468)	-1%	241 830
Service charges - Water		–	86 725	86 725	6 724	12 998	14 454	(1 456)	-10%	86 725
Service charges - Waste Water Management		–	77 663	77 663	6 474	12 618	12 944	(326)	-3%	77 663
Service charges - Waste management		–	58 016	58 016	3 984	8 262	9 669	(1 407)	-15%	58 016
Sale of Goods and Rendering of Services		–	11 571	11 571	486	1 322	904	418	46%	11 571
Agency services		–	3 014	3 014	–	–	502	(502)	-100%	3 014
Interest		–	–	–	–	–	–	–	–	–
Interest earned from Receivables		–	13 282	13 282	1 794	3 552	2 214	1 338	60%	13 282
Interest earned from Current and Non Current Assets		–	4 950	4 950	761	1 025	825	200	24%	4 950
Dividends		–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		–	1 030	1 030	105	203	502	(300)	-60%	1 030
Licence and permits		–	589	589	250	336	98	238	243%	589
Operational Revenue		–	2 207	2 207	2 203	2 271	368	1 903	518%	2 207
Non-Exchange Revenue		–	400 177	400 177	15 320	93 497	82 728	10 769	13%	400 177
Property rates		–	179 779	179 779	14 375	31 251	29 963	1 288	4%	179 779
Surcharges and Taxes		–	1 500	1 500	118	236	250	(14)	-6%	1 500
Fines, penalties and forfeits		–	31 699	31 699	1	3	5 283	(5 280)	-100%	31 699
Licence and permits		–	696	696	–	–	116	(116)	-100%	696
Transfer and subsidies - Operational		–	163 277	163 277	–	60 303	43 903	16 400	37%	163 277
Interest		–	3 759	3 759	418	842	627	216	34%	3 759
Fuel Levy		–	–	–	–	–	–	–	–	–
Operational Revenue		–	15 518	15 518	409	862	2 586	(1 724)	-67%	15 518
Gains on disposal of Assets		–	3 950	3 950	–	–	–	–	–	3 950
Other Gains		–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		–	901 055	901 055	58 625	175 922	165 513	10 409	6%	901 055
Expenditure By Type										
Employee related costs		–	333 063	333 063	21 968	43 955	55 429	(11 474)	-21%	333 063
Remuneration of councillors		–	7 674	7 674	532	1 110	1 279	(169)	-13%	7 674
Bulk purchases - electricity		–	206 241	206 241	29 136	29 136	37 475	(8 338)	-22%	206 241
Inventory consumed		–	19 543	19 543	439	608	3 257	(2 649)	-81%	19 543
Debt impairment		–	18 270	18 270	–	–	3 045	(3 045)	-100%	18 270
Depreciation and amortisation		–	40 059	40 059	3 338	6 676	6 676	–	–	40 059
Interest		–	13 428	13 428	38	74	2 238	(2 164)	-97%	13 428
Contracted services		–	95 793	95 793	1 978	1 978	15 965	(13 988)	-88%	95 793
Transfers and subsidies		–	12 230	12 230	2 717	2 717	2 038	678	33%	12 230
Irrecoverable debts written off		–	64 900	64 900	19 277	19 303	10 817	8 486	78%	64 900
Operational costs		–	89 075	89 075	1 551	2 083	14 853	(12 770)	-86%	89 075
Losses on Disposal of Assets		–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–
Total Expenditure		–	900 274	900 274	80 973	107 640	153 072	(45 432)	-30%	900 274
Surplus/(Deficit)		–	780	780	(22 349)	68 282	12 441	55 841	0	780
Transfers and subsidies - capital (monetary allocations)		–	37 468	39 127	–	–	–	–	–	39 127
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		–	38 248	39 908	(22 349)	68 282	12 441			39 908
Income Tax		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		–	38 248	39 908	(22 349)	68 282	12 441			39 908
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		–	38 248	39 908	(22 349)	68 282	12 441			39 908
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		–	38 248	39 908	(22 349)	68 282	12 441			39 908

BITOU LOCAL MUNICIPALITY

Revenue by Source

Property Rates

Property rates for the month amounts to R14.4 million. When comparing the YTD actuals with the YTD budget an over-performance of 4% is evident. This can mainly be ascribed to the removal of rebates to customers with a property value above R1 million and the reduction in the rebate amount to individuals whose property value is between R350 000 and R1 million, coupled with the annual rates levied.

Electricity

YTD Revenue from electricity amounts to R39.8 million. Anticipated budgeted revenue amounted to R40.3 million, this represents an under-performance of 1%. Electricity revenue is influenced by fluctuating consumption during peak and off-peak periods and as we are approaching the peak season it is expected that a spike in consumption will occur. The prolonged load shedding remains a point of concern and as the lower demand is expected to negatively impact on this revenue source.

Water Service

Water revenue as at end of August 2023 amounts to R12.9 million while the YTD budget amounts to R14.5 million. This represents a 10% under-performance and is consistent with the colder and wetter weather conditions and seasonal consumption patterns. Load shedding also impacts on the municipality's ability and the cost associated with the delivery of water to end-users resulting in lower consumption trends establishing with increasing costs.

Sanitation Service

Sanitation revenue amounts to R12.6 million while YTD budget amounts to R12.9 million. This translates to 3% under-performance for this category of revenue. The revenue item is being monitored due to its under-performance in the previous financial year and a concerted effort through the revenue enhancement program is underway to ensure that the revenue targets will be met.

Refuse Service

Refuse revenue as at the end of August 2023 amounts R8.3 million while the YTD budget amounts to R9.7 million. This is an under performance of 15%. This category of revenue forms part of the focus areas of the revenue enhancement programme and a concerted effort will be made in the current financial year to ensure this revenue source is performing adequately as the municipality is investing a sizeable amount of capital for improving this function.

Rental of Facilities and Equipment

The revenue for rental of facilities and equipment for August 2023 amounts to R 202 531. This source of revenue is under-performing by 60%. 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 amounts to R 1 million and R3.5 million respectively, which in turn equates to an over-performance of 24% and 60% respectively for this revenue source. The interest on outstanding debtors, although performing above anticipation, is unlikely to be collected by the municipality.

BITOU LOCAL MUNICIPALITY

Revenue for fines, penalties and forfeits

Revenue from Fines as at end of August 2023 amounts to R 3 192 compared to the anticipated budgeted revenue of R5.3 million. This is an under-performance of 100%, which can be ascribed to no revenue recognition done for the month. The revenue for the period will be recognised as part of the September 2023 monthly reporting.

Transfers and Subsidies

Revenue from Transfers and Subsidies amounts to R60.3 million as at end of August 2023. Revenue from Transfers and Subsidies is over performing with a percentage of 37%, this can mainly be ascribed to the receipt of the first tranche of the equitable share in July 2023. It is anticipated that this result may come in-line with the budgetary predictions during the course of the financial year. We attempted to align the budget with the previous schedule to ensure that the items align.

Sale of Goods and Rendering of Services

Previously this item was grouped under other revenue and has subsequently been split from it. Revenue collected for the month amounts to R1.3 million compared to an anticipated R904 000. This revenue source includes items such as building plan approval fees, town planning, fire services, staff housing etc.

Operational revenue

Previously this item was grouped under other revenue and has subsequently been split from it and renamed as Operational Revenue. Revenue collected for the month amounts to R2.2 million compared to an anticipated R 368 000. The major contributor of the revenue remains breakage fees, development charges, handling fees, landing fees, staff, and councillor recoveries etc.

Total revenue for the month of August 2023 amounts to R58.6 million. YTD revenue compared to YTD anticipated budgeted revenue for the month amounts to an over-performance of 6%. This, however, exclude revenue from capital contributions.

Expenditure

Employee related cost

Employee related cost for the month of August 2023 amounts to R21.9 million. The YTD budget amounts to R55.4 million and YTD actuals equates to R43.9 million. This translates to an under performance of 21%. The main factor contributing to the under-spending remains the vacant positions that have not been filled to date.

Remuneration of councillors

Remuneration of councillors as at end of August 2023 amounts to R 531 546. This expenditure item underperforming by 13% for the month.

Debt Impairment

No Debt Impairment was done for the month of August 2023.

Bulk Purchases

Bulk purchases relate to payments made to Eskom for electricity, the expenditure as at end of August 2023 amounts to R29.3 million compared to R37.5 million YTD budget, thus reporting an under performance of 22%. All payments to Eskom for the month of August 2023 relate to July and August invoices as we pay Eskom based on the consumption of the month.

Depreciation

BITOU LOCAL MUNICIPALITY

Depreciation for August 2023 amounts to R3.3 million which is in line with the anticipated budget and thus performing adequately.

Inventory Consumed

Expenditure related to this item as at the end of August 2023 amounts to R 608 099 while the YTD budget amounts to R3.3 million. This expenditure item under-performed by 81% when compared to the YTD budget. This expenditure type relates to the consumption of materials and supplies/inventory at the stores and the underperformance is due to the teething problems that have arose from the new procurement system. This item will improve once the procurement issues are resolved and the operations gain momentum.

Contracted Services

Expenditure as at end of August 2023 amounts to R1.9 million and is under-performing by 88% when compared to the YTD budget of R15.9 million. Similar to the Inventory Consumed, the new procurement system has a major effect on the expenditure item as well, and it is anticipated that expenditure will increase once resolved.

Transfers and subsidies

Expenditure as at end of August 2023 amounts R2.7 million compared to the YTD budget of R2.0 million. An over performance of 33% is reported for the month.

Operational Cost

Operational Cost YTD actuals after August 2023 amounts to R2.0 million while the YTD budget amounts to R14.9 million, which translates to an under performance of 86%. This includes items such as the rental expenses for offices, accommodation, 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 August 2023 amounts to R80.9 million. The municipality is reporting an operating deficit for August of R22.4 million, with an operating surplus of R68.3 million for the year-to-date.

Conclusion on Financial Position and performance

The operating surplus declined with R 22.3 million when compared to the previous month, this can mainly be ascribed to revenue recognition on fines not done and the payment of ESKOM that was due September 2023 being early paid. The current cash flow is sufficient to meet the short and medium-term operational requirements however, it is still not sufficient to sustain operations in the long term. The current ratio is below the best practice norms. The liquidity position remains concerning and a concerted effort is still necessary to ensure the financial turnaround of the municipality.

The implementation of the financial recovery plan, especially the revenue enhancement strategy, receives dedicated attention to aid in the financial turnaround and to ensure that financial viability and long-term sustainability will be attained.

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 be 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 collection on their revenue budget is starting to improve as per below.

See tables below C1 and C3 for the month ended 31 August 2023.

BITOU LOCAL MUNICIPALITY

WC047 Bitou - Table C1 Monthly Budget Statement Summary - M02 August

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	179 779	179 779	14 375	31 251	29 963	1 288	4%	179 779
Service charges	-	464 234	464 234	37 706	73 715	77 372	(3 657)	-5%	464 234
Investment revenue	-	4 950	4 950	761	1 025	825	200	24%	4 950
Transfers and subsidies - Operational	-	163 277	163 277	-	60 303	43 903	16 400	37%	163 277
Other own revenue	-	88 815	88 815	5 782	9 627	13 450	(3 822)	-28%	88 815
Total Revenue (excluding capital transfers and contributions)	-	901 055	901 055	58 625	175 922	165 513	10 409	6%	901 055
Employee costs	-	333 063	333 063	21 968	43 955	55 429	(11 474)	-21%	333 063
Remuneration of Councillors	-	7 674	7 674	532	1 110	1 279	(169)	-13%	7 674
Depreciation and amortisation	-	40 059	40 059	3 338	6 676	6 676	-		40 059
Interest	-	13 428	13 428	38	74	2 238	(2 164)	-97%	13 428
Inventory consumed and bulk purchases	-	225 784	225 784	29 575	29 745	40 732	(10 987)	-27%	225 784
Transfers and subsidies	-	12 230	12 230	2 717	2 717	2 038	678	33%	12 230
Other expenditure	-	268 038	268 038	22 806	23 363	44 680	(21 317)	-48%	268 038
Total Expenditure	-	900 274	900 274	80 973	107 640	153 072	(45 432)	-30%	900 274
Surplus/(Deficit)	-	780	780	(22 349)	68 282	12 441	55 841	449%	780
Transfers and subsidies - capital (monetary allocations)	-	37 468	39 127	-	-	-	-		39 127
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	-	38 248	39 908	(22 349)	68 282	12 441	55 841	449%	39 908
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	-	38 248	39 908	(22 349)	68 282	12 441	55 841	449%	39 908
Capital expenditure & funds sources									
Capital expenditure	-	109 432	116 645	381	381	18 239	(17 858)	-98%	109 432
Capital transfers recognised	-	34 335	35 995	381	381	5 723	(5 342)	-93%	34 335
Borrowing	-	45 150	47 673	-	-	7 525	(7 525)	-100%	45 150
Internally generated funds	-	29 947	32 978	-	-	4 991	(4 991)	-100%	29 947
Total sources of capital funds	-	109 432	116 645	381	381	18 239	(17 858)	-98%	109 432
Financial position									
Total current assets	-	429 672	422 459		541 846				422 459
Total non current assets	-	1 335 112	1 342 325		1 249 051				1 342 325
Total current liabilities	-	426 612	424 953		409 652				424 953
Total non current liabilities	-	190 333	190 333		161 040				190 333
Community wealth/Equity	-	1 147 839	1 149 498		1 220 205				1 149 498
Cash flows									
Net cash from (used) operating	-	75 138	75 138	47 244	97 674	21 851	(75 823)	-347%	736 405
Net cash from (used) investing	-	(98 470)	(105 683)	(381)	(381)	20 066	20 447	102%	120 394
Net cash from (used) financing	-	19 383	19 383	(327)	(727)	5 947	6 674	112%	19 383
Cash/cash equivalents at the month/year end	-	55 791	48 578	-	191 644	107 604	(84 041)	-78%	971 259
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	39 972	10 729	8 479	8 391	244 136	-	-	-	311 708
Creditors Age Analysis									
Total Creditors	932	23 851	158	-	-	-	-	-	24 941

BITOU LOCAL MUNICIPALITY

Financial Performance Expenditure by Municipal Vote

Revenue by vote

The performance of revenue by vote as at end August 2023 amounts to R175.9 million, this is an over performance of 1.6%. The detail on revenue per item can be seen on executive summary.

Expenditure by vote

The expenditure by vote as at August 2023 amounts R107.9 million. The total expenditure budget is under performing by 29.7%.

WC047 Bitou - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote Description		Ref	2022/23	Budget Year 2023/24							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands											
Revenue by Vote		1									
Vote 1 - Council			-	2 918	2 918	-	-	-	-	2 918	
Vote 2 - Office of the Municipal Manager			-	62 081	62 081	87	60 495	184	60 311	32781,6%	62 081
Vote 3 - Community Services			-	137 471	137 471	4 650	9 495	22 912	(13 417)	-58,6%	137 471
Vote 4 - Corporate Services			-	19	19	-	-	3	(3)	-100,0%	19
Vote 5 - Financial Services			-	207 447	207 447	15 702	33 458	39 301	(5 843)	-14,9%	207 447
Vote 6 - Economic Development & Planning			-	21 821	23 481	461	1 176	3 637	(2 460)	-67,7%	21 821
Vote 7 - Engineering Services			-	506 765	506 765	37 725	71 298	107 073	(35 776)	-33,4%	506 765
Total Revenue by Vote		2	-	938 523	940 182	58 625	175 922	173 111	2 812	1,6%	938 523
Expenditure by Vote		1									
Vote 1 - Council			-	13 229	13 229	917	1 511	2 212	(701)	-31,7%	13 229
Vote 2 - Office of the Municipal Manager			-	24 180	24 180	2 306	4 199	4 030	169	4,2%	24 180
Vote 3 - Community Services			-	220 646	220 646	14 822	23 906	36 774	(12 868)	-35,0%	220 646
Vote 4 - Corporate Services			-	81 193	81 193	2 773	5 442	13 532	(8 090)	-59,8%	81 193
Vote 5 - Financial Services			-	67 121	67 121	2 957	5 379	11 187	(5 808)	-51,9%	67 121
Vote 6 - Economic Development & Planning			-	43 237	43 237	4 893	6 899	7 206	(307)	-4,3%	43 237
Vote 7 - Engineering Services			-	450 669	450 669	52 305	60 304	78 132	(17 828)	-22,8%	450 669
Total Expenditure by Vote		2	-	900 274	900 274	80 973	107 640	153 072	(45 432)	-29,7%	900 274
Surplus/ (Deficit) for the year		2	-	38 248	39 908	(22 349)	68 282	20 038	48 244	240,8%	38 248

BITOU LOCAL MUNICIPALITY

Capital expenditure

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 August

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Council		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Community Services		-	4 780	4 780	-	-	797	(797)	-100%	4 780
Vote 4 - Corporate Services		-	1 016	1 016	-	-	169	(169)	-100%	1 016
Vote 5 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 6 - Economic Development & Planning		-	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services		-	40 959	42 294	-	-	6 827	(6 827)	-100%	40 959
Total Capital Multi-year expenditure	4,7	-	46 755	48 090	-	-	7 792	(7 792)	-100%	46 755
Single Year expenditure appropriation	2									
Vote 1 - Council		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	1 000	1 000	-	-	167	(167)	-100%	1 000
Vote 3 - Community Services		-	835	1 636	-	-	139	(139)	-100%	835
Vote 4 - Corporate Services		-	561	561	-	-	94	(94)	-100%	561
Vote 5 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 6 - Economic Development & Planning		-	304	354	-	-	51	(51)	-100%	304
Vote 7 - Engineering Services		-	59 977	65 004	381	381	9 996	(9 615)	-96%	59 977
Total Capital single-year expenditure	4	-	62 677	68 555	381	381	10 446	(10 065)	-96%	62 677
Total Capital Expenditure	3	-	109 432	116 645	381	381	18 239	(17 858)	-98%	109 432
Capital Expenditure - Functional Classification										
Governance and administration		-	20 857	20 857	-	-	3 476	(3 476)	-100%	20 857
Executive and council		-	1 000	1 000	-	-	167	(167)	-100%	1 000
Finance and administration		-	19 857	19 857	-	-	3 309	(3 309)	-100%	19 857
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	4 265	5 066	-	-	711	(711)	-100%	4 265
Community and social services		-	2 880	3 681	-	-	480	(480)	-100%	2 880
Sport and recreation		-	1 000	1 000	-	-	167	(167)	-100%	1 000
Public safety		-	385	385	-	-	64	(64)	-100%	385
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	13 973	16 001	-	-	2 329	(2 329)	-100%	13 973
Planning and development		-	304	304	-	-	51	(51)	-100%	304
Road transport		-	13 669	15 696	-	-	2 278	(2 278)	-100%	13 669
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	70 337	74 722	381	381	11 723	(11 342)	-97%	70 337
Energy sources		-	23 741	24 662	-	-	3 957	(3 957)	-100%	23 741
Water management		-	27 350	29 900	381	381	4 558	(4 177)	-92%	27 350
Waste water management		-	17 896	18 759	-	-	2 983	(2 983)	-100%	17 896
Waste management		-	1 350	1 400	-	-	225	(225)	-100%	1 350
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	109 432	116 645	381	381	18 239	(17 858)	-98%	109 432
Funded by:										
National Government		-	23 581	23 581	381	381	3 930	(3 549)	-90%	23 581
Provincial Government		-	10 754	12 414	-	-	1 792	(1 792)	-100%	10 754
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	34 335	35 995	381	381	5 723	(5 342)	-93%	34 335
Borrowing	6	-	45 150	47 673	-	-	7 525	(7 525)	-100%	45 150
Internally generated funds		-	29 947	32 978	-	-	4 991	(4 991)	-100%	29 947
Total Capital Funding	7	-	109 432	116 645	381	381	18 239	(17 858)	-98%	109 432

BITOU LOCAL MUNICIPALITY

Capital Expenditure Analysis

Capital Expenditure for the month amounts to R 380 992.

It should be noted that majority of the approved capital projects currently reflect a 0% spending which could mean these projects are under-performing, however cognisance must be taken that various projects are underway and payment for work done will only reflect in subsequent months.

A roll-over budget was approved for unspent funds of the previous year.

Capital Grants Analysis

Grants	Original Budget	Adjusted Budget	Monthly Actual	Shadow Balance	YTD Expenditure
MIG	20 299 130.00	20 299 130.00	380 991.83	0	380 991.83
INEP	3 281 739.00	3 281 739.00	0	0	0
INFORMAL SETTLEMENTS	10 000 000.00	11 659 471.00	0	0	0
LIBRARY CONDITIONAL GRANT	450 000.00	450 000.00	0	0	0
RSEP	304 348.00	304 348.00	0	0	0
BORROWINGS	45 150 000.00	47 672 655.00	0	0	0
AFR	29 946 887.00	32 977 618.00	0	0	0
TOTAL	109 432 104.00	116 644 962.00	380 991.83	0	380 991.83

BITOU LOCAL MUNICIPALITY

Chart C1 2023/24 Capital Expenditure Monthly Trend: actual v target

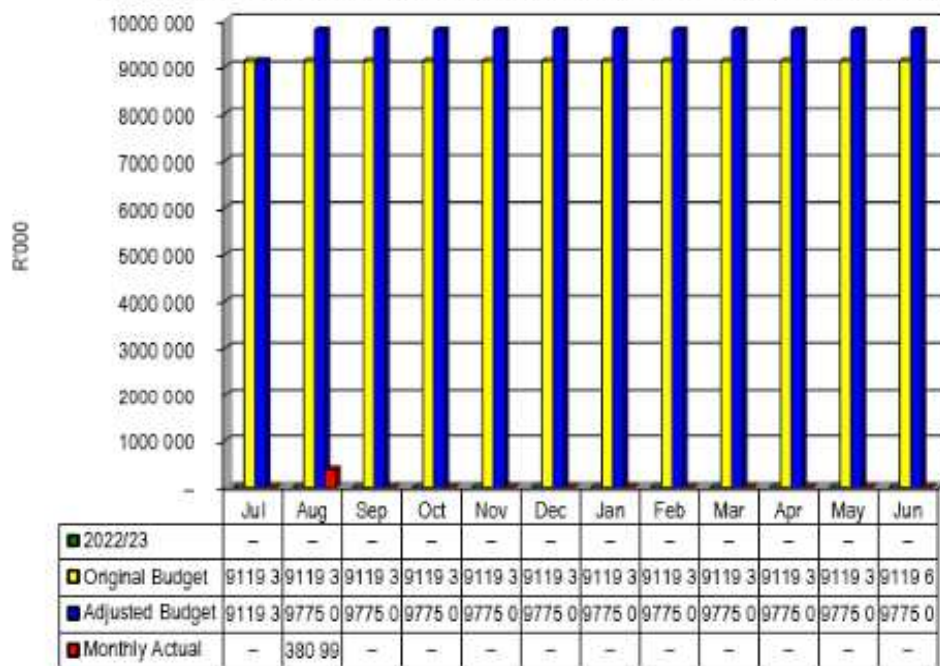
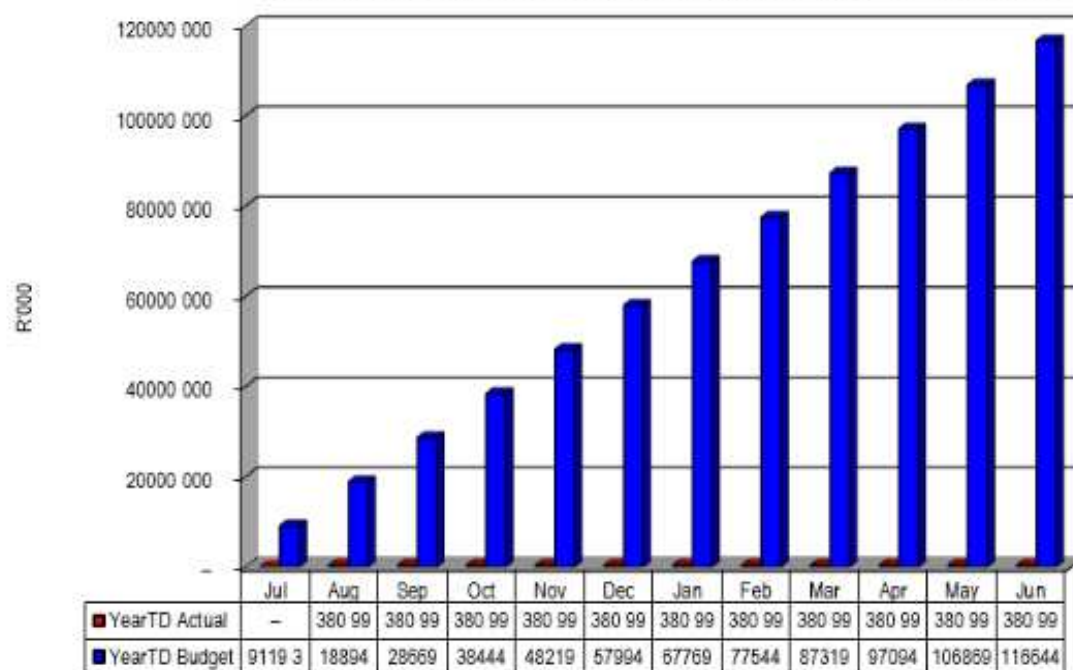


Chart C2 2023/24 Capital Expenditure: YTD actual v YTD target



BITOU LOCAL MUNICIPALITY

Statement of Financial Position

WC047 Bitou - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		–	55 750	48 537	191 644	48 537
Trade and other receivables from exchange transactions		–	43 839	43 839	42 596	43 839
Receivables from non-exchange transactions		–	100 771	100 771	35 415	100 771
Current portion of non-current receivables		–	11	11	9	11
Inventory		–	16 538	16 538	15 024	16 538
VAT		–	212 584	212 584	256 271	212 584
Other current assets		–	180	180	887	180
Total current assets		–	429 672	422 459	541 846	422 459
Non current assets						
Investments		–	–	–	(0)	–
Investment property		–	12 692	12 692	12 692	12 692
Property, plant and equipment		–	1 322 385	1 329 597	1 236 324	1 329 597
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	35	35	35	35
Intangible assets		–	–	–	–	–
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		–	1 335 112	1 342 325	1 249 051	1 342 325
TOTAL ASSETS		–	1 764 784	1 764 784	1 790 897	1 764 784
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	0	0	19 531	0
Consumer deposits		–	9 848	9 848	10 992	9 848
Trade and other payables from exchange transactions		–	79 792	79 792	94 496	79 792
Trade and other payables from non-exchange transactions		–	(15 820)	(17 480)	(10 776)	(17 480)
Provision		–	113 636	113 636	38 680	113 636
VAT		–	239 157	239 157	256 730	239 157
Other current liabilities		–	–	–	–	–
Total current liabilities		–	426 612	424 953	409 652	424 953
Non current liabilities						
Financial liabilities		–	121 558	121 558	81 839	121 558
Provision		–	68 776	68 776	79 201	68 776
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		–	190 333	190 333	161 040	190 333
TOTAL LIABILITIES		–	616 946	615 286	570 692	615 286
NET ASSETS	2	–	1 147 839	1 149 498	1 220 205	1 149 498
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		–	1 099 339	1 100 998	1 190 255	1 100 998
Reserves and funds		–	48 500	48 500	29 950	48 500
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	–	1 147 839	1 149 498	1 220 205	1 149 498

BITOU LOCAL MUNICIPALITY

The table above reflects the statement of financial position of the municipality. The total current assets at the end of August 2023 amounts to R541.8 million. The municipality reports total short-term investments at R 107.7 million and cash of R84.3 million for the month. The municipality reports a positive cashbook balance of R84.3 million.

The current liabilities for the month amounts R409.7 million. The current ratio for the month equates 1.32:1, which is below best practice norms. 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 - M02 August										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	163 156	163 156	14 979	27 448	27 193	255	1%	163 156
Service charges		–	422 573	422 573	51 106	77 682	70 429	7 253	10%	422 573
Other revenue		–	22 595	22 595	3 080	3 276	3 766	(490)	-13%	22 595
Transfers and Subsidies - Operational		–	163 277	163 277	2 240	63 114	41 781	21 332	51%	163 277
Transfers and Subsidies - Capital		–	37 468	37 468	–	3 420	1 667	1 753	105%	37 468
Interest		–	8 221	8 221	4 204	5 798	1 370	4 428	323%	8 221
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		–	(716 494)	(716 494)	(25 609)	(80 272)	(122 117)	(41 844)	34%	(67 458)
Interest		–	(13 428)	(13 428)	(38)	(74)	(2 238)	(2 164)	97%	(13 428)
Transfers and Subsidies		–	(12 230)	(12 230)	(2 717)	(2 717)	–	2 717	0%	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	75 138	75 138	47 244	97 674	21 851	(75 823)	-347%	736 405
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	10 962	10 962	–	–	1 827	(1 827)	-100%	10 962
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		–	(109 432)	(116 645)	(381)	(381)	18 239	18 620	102%	109 432
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(98 470)	(105 683)	(381)	(381)	20 066	20 447	102%	120 394
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	40 150	40 150	–	–	6 692	(6 692)	-100%	40 150
Increase (decrease) in consumer deposits		–	–	–	58	198	–	198	0%	–
Payments										
Repayment of borrowing		–	(20 767)	(20 767)	(384)	(925)	(745)	180	-24%	(20 767)
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	19 383	19 383	(327)	(727)	5 947	6 674	112%	19 383
NET INCREASE/ (DECREASE) IN CASH HELD		–	(3 949)	(11 162)	46 536	96 566	47 863			876 181
Cash/cash equivalents at beginning:		–	59 740	59 740		95 078	59 740			95 078
Cash/cash equivalents at month/year end:		–	55 791	48 578		191 644	107 604			971 259

The municipality is reporting a positive R47.2 million on monthly actual net cash from operating activities. These are mostly month to month operating expenses and operating income and a sharp Increase is usually anticipated upon the start of the book year as procurement processes are starting out.

Monthly actual net cash (used) on investing activities is reported at R 380 991 which is mostly influenced by spending on capital projects.

The net cash (used) for financing activities are mostly influenced by the repayment of loans. The amount as at July 2023 amounts to R 422 168. The previous bi-annual redemption was done in June 2023. The next payment will occur in December 2023:

BITOU LOCAL MUNICIPALITY

December 2023 Future Payments:						R	14 497 761,88
Bank/ Loan Reference	Amortisation Date	Future Payment Date	Interest Amount	Redemption Amount	Total Instalment		
ABSA - 2015/2016	Friday, 29 December 2023	22 December 2023	R 432 735,63	R 1 215 459,53	R	1 648 195,16	
ABSA - 2016/2017	Friday, 29 December 2023	22 December 2023	R 657 971,02	R 1 355 611,19	R	2 013 582,21	
Sub for Financial Institution				R 2 571 070,72	R	3 661 777,37	
DBSA - 103437/1	Friday, 29 December 2023	22 December 2023	R 819 487,88	R 879 304,74	R	1 698 792,62	
DBSA - 103437/2	Friday, 29 December 2023	22 December 2023	R 20 390,30	R 174 975,51	R	195 365,81	
Sub for Financial Institution				R 1 054 280,25	R	1 894 158,43	
Ref: 537504 STANDARD BANK - 282024913	Friday, 29 December 2023	22 December 2023	R 293 512,09	R 1 173 158,69	R	1 466 670,78	
Ref: 536665 STANDARD BANK - 082602247	Friday, 29 December 2023	22 December 2023	R 107 618,74	R 917 973,73	R	1 025 592,47	
Sub for Financial Institution				R 2 091 132,42	R	2 492 263,25	
NEDBANK - 2017/2018	Friday, 29 December 2023	22 December 2023	R 1 015 517,53	R 1 520 885,97	R	2 536 403,50	
NEDBANK - 2022/2023	Friday, 29 December 2023	22 December 2023	R 2 086 669,46	R 970 848,91	R	3 057 518,37	
NEDBANK - 2022/2023	Monthly	Debit Order	R 161 879,12	R 693 761,84	R	855 640,96	
Sub for Financial Institution					R	6 449 562,83	
June 2024 Future Payments:						R	14 497 662,83
Bank/ Loan Reference	Amortisation Date	Future Payment Date	Interest Amount	Redemption Amount	Total Instalment		
ABSA - 2015/2016	Wednesday, 28 June 2023	24 June 2023	R 365 243,68	R 1 282 951,48	R	1 648 195,16	
ABSA - 2016/2017	Wednesday, 28 June 2023	24 June 2023	R 582 953,94	R 1 430 628,31	R	2 013 582,25	
Sub for Financial Institution					R	3 661 777,41	
DBSA - 103437/1	Wednesday, 28 June 2023	24 June 2023	R 761 649,62	R 937 143,00	R	1 698 792,62	
DBSA - 103437/2	Wednesday, 28 June 2023	24 June 2023	R 10 361,98	R 184 883,47	R	195 245,45	
Sub for Financial Institution					R	1 894 038,07	
Ref: 537504 STANDARD BANK - 282024913	Wednesday, 28 June 2023	24 June 2023	R 55 300,26	R 970 313,50	R	1 025 613,76	
Ref: 536665 STANDARD BANK - 082602247	Wednesday, 28 June 2023	24 June 2023	R 226 164,74	R 1 240 506,04	R	1 466 670,78	
Sub for Financial Institution					R	2 492 284,54	
NEDBANK - 2017/2018	Wednesday, 28 June 2023	24 June 2023	R 951 008,17	R 1 585 395,30	R	2 536 403,47	
NEDBANK - 2022/2023	Wednesday, 28 June 2023	24 June 2023	R 2 006 908,42	R 1 050 609,96	R	3 057 518,38	
NEDBANK	Wednesday, 28 June 2023	24 June 2023	R 120 296,45	R 735 344,51	R	855 640,96	
Sub for Financial Institution					R	6 449 562,81	

The municipality reports cash and cash equivalents amounting to R191.6 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 - M02 August

Description		NT Code	Budget Year 2023/24								Total	Total over 90 days	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				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	7 264	2 546	2 378	2 415	67 870	-	-	-	82 473	70 284	6 363	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	13 766	1 042	541	451	14 666	-	-	-	30 465	15 116	181	-	
Receivables from Non-exchange Transactions - Property Rates	1400	9 248	2 647	1 431	1 203	44 159	-	-	-	58 689	45 362	71	-	
Receivables from Exchange Transactions - Waste Water Management	1500	5 910	2 737	2 489	2 625	83 272	-	-	-	97 034	85 898	7 914	-	
Receivables from Exchange Transactions - Waste Management	1600	3 394	1 679	1 498	1 531	48 762	-	-	-	56 864	50 293	4 622	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	390	77	142	167	(14 592)	-	-	-	(13 817)	(14 425)	127	-	
Total By Income Source	2000	39 972	10 729	8 479	8 391	244 136	-	-	-	311 708	252 528	19 277	-	
2022/23 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	444	171	103	122	1 320	-	-	-	2 161	1 443	-	-	
Commercial	2300	3 885	882	684	729	2 046	-	-	-	8 226	2 775	-	-	
Households	2400	35 643	9 676	7 692	7 540	240 770	-	-	-	301 320	248 310	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	39 972	10 729	8 479	8 391	244 136	-	-	-	311 708	252 528	-	-	

Debtor’s age analysis

The debtors’ book of the municipality reflects R 244.1 million on outstanding debtors older than 121 days and a total outstanding amount of R 311.7 million.

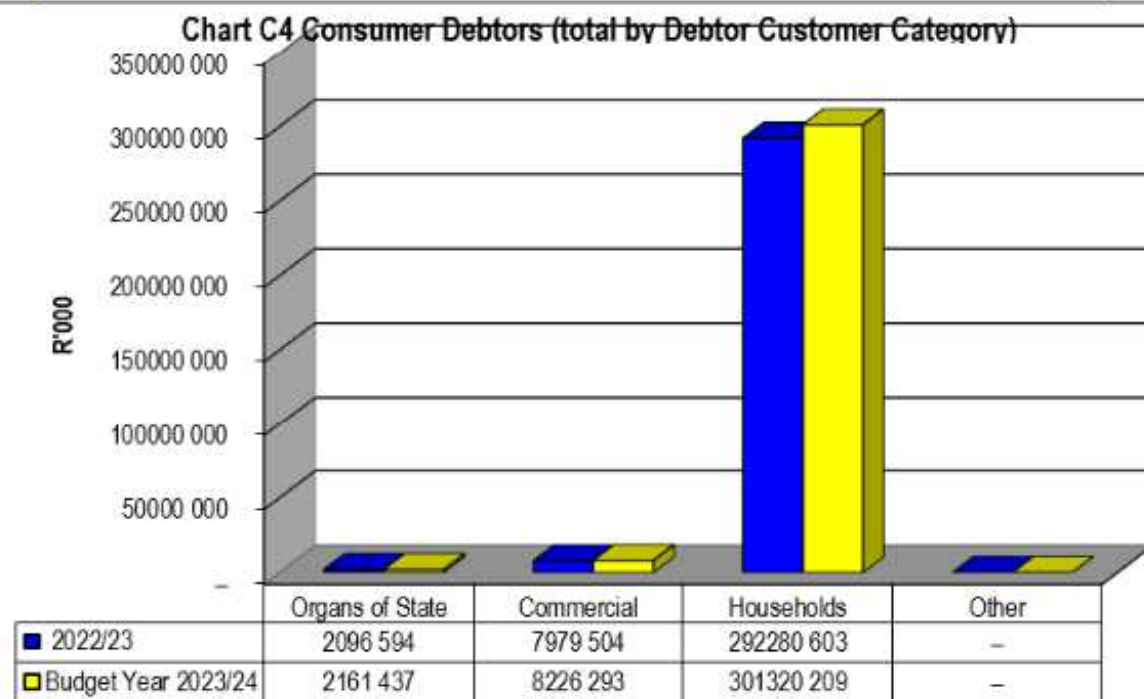
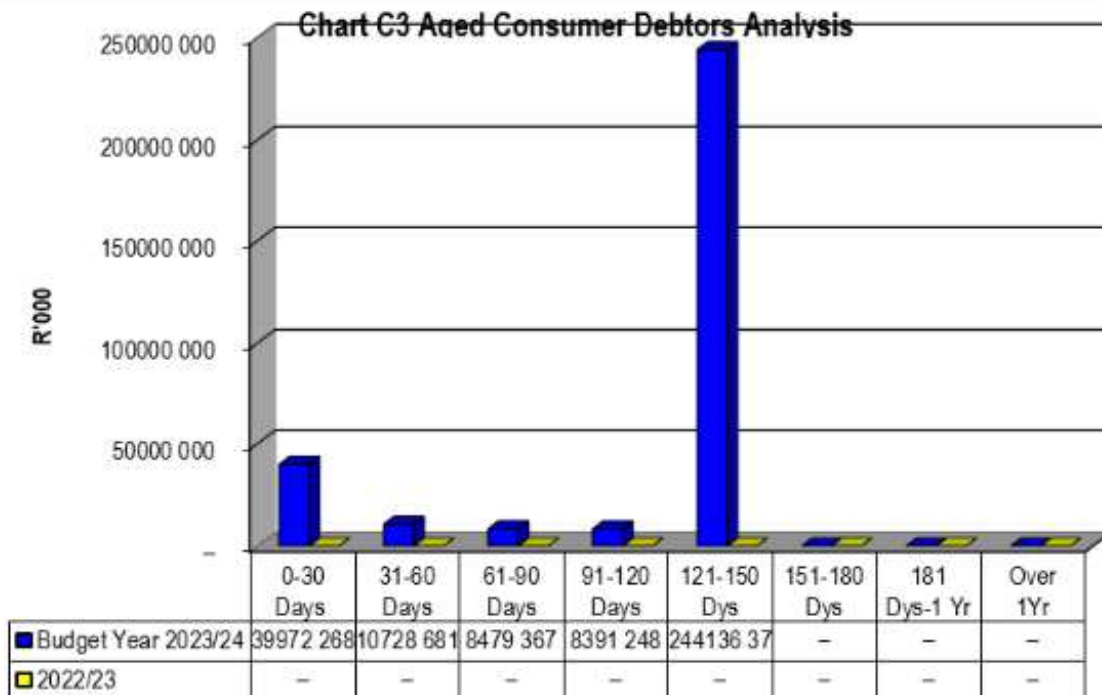
The contributors to the outstanding debt remain the household debt which represent 96.7% of total debt, followed by businesses with 2.6% and organs of state contributing 0.7%

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 implemented 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 August 2023 is 85.30%. See below debtor payment percentage breakdown achieved for August 2023.

DETAILS	Jul-23	Aug-23
Gross Debtors Opening Balance	311 714 712,48	325 457 401,09
Billed Revenue	64 171 991,48	54 250 608,95
Gross Debtors Closing Balance	325 457 401,09	311 707 939,49
Bad Debt Written off	28 348,72	21 724 353,89
Payment received	50 457 651,59	46 275 716,66
Billed Revenue	64 171 991,48	54 250 608,95
% Debtor payment achieved	79%	85,30%

BITOU LOCAL MUNICIPALITY



BITOU LOCAL MUNICIPALITY

Section 6 – Creditors' age analysis

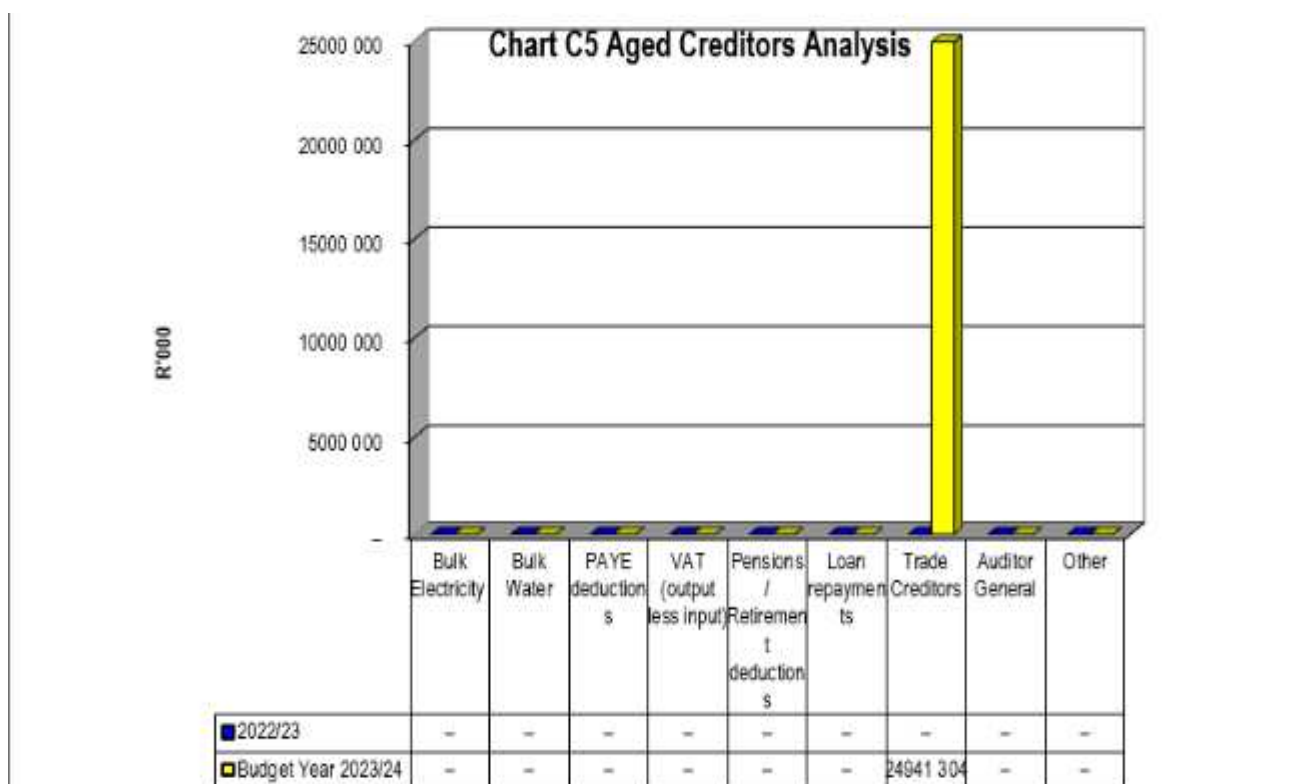
6.1 Supporting Table SC4

Table SC4 reflects the trade creditors

WC047 Bitou - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August											
Description R thousands	NT Code	Budget Year 2023/24									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	
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	932	23 851	158	-	-	-	-	-	24 941	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	932	23 851	158	-	-	-	-	-	24 941	-

Creditors Age Analysis

The municipality reports a total amount of R24.9 million on trade creditors in August 2023.



BITOU LOCAL MUNICIPALITY

Section 7 – Investment portfolio analysis

7.1 Supporting Table SC5

WC047 Bitou - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August														
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
		R thousands												
Municipality														
Nedbank: 176600029		180 days	Fixed deposit			0			180 days	14 335	-		-	14 335
Absa Bank: 9378543662		Call deposit	Call deposit			0			Call deposit	7 587	57		-	7 645
Absa Bank: 93770924083		Call deposit	Call deposit			0			Call deposit	2 757	21		-	2 778
Absa Bank: 2061155032		150 days	Fixed deposit			0			150 days	13 150	-		-	13 150
Absa Bank: 0380348553		Call deposit	Call deposit			0			Call deposit	18 110	137		-	18 247
Nedbank: 176600029 - 2		360 days	Fixed deposit			0			360 days	12 500	-		-	12 500
Standard Bank: 488607000 - 075		120 days	Fixed deposit			0			120 days	14 000	-		-	14 000
Standard Bank: 488607000 - 076		60 days	Fixed deposit			0			60 days	20 000	-		-	20 000
Standard Bank: 488607000 - 077		90 days	Fixed deposit			0			90 days	5 000	-		-	5 000
-		-								-	-		-	-
Municipality sub-total										107 439	215		-	107 655

Investment portfolio analysis

The municipality has investments with a total value of R107.7 million as at August 2023. Interest earned on fixed deposits will only be recognised upon maturity, but it will be accrued at year end.

BITOU LOCAL MUNICIPALITY

Section 8 – Grant Performance

8.1 Supporting Table SC6

Grant Description	Year- To-Date Actual Balance (M02)
WATER SERVICES INFRASTRUCTURE GRANT	-
LOCAL GOVERNMENT, WATER AND RELATED SETA	-
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT	-
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	-
EQUITABLE SHARE	60 303 000,00
HUMAN SETTLEMENT DEVELOPMENT - OPERATIONAL	-
COMMUNITY DEVELOPMENT WORKERS (CDW) - OPERATIONAL	-
COMMUNITY LIBRARY SERVICES - OPERATIONAL	-
LOCAL GOVERNMENT PUBLIC EMPLOYMENT SUPPORT - OPERATIONAL	-
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES -	-
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT	-
MUNICIPAL INFRASTRUCTURE GRANT	-
REGIONAL SOCIAL ECONOMIC PROJECTS (RSEP)	-
THUSONG SERVICES CENTRES	-
WESTERN CAPE MUNICIPAL ENERGY RESILIENCE (WC MER)	-
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT	-
INFORMAL SETTLEMENT UPGRADING PARTNERSHIP: PROVINCES (BENEFICIARIES)	-
FINANCIAL MANAGEMENT CAPACITY BUILDING	-

60 303 000,00

The table above reflects the income recognition done for the month of August 2023. Transfers and subsidies amount to R 60.3 million, which includes capital and operational grants.

Grant Description	Year- To-Date Actual Balance (M02)
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT: RECEIPTS	673 043,49
MUNICIPAL INFRASTRUCTURE GRANT: RECEIPTS	2 747 000,00
WATER SERVICES INFRASTRUCTURE GRANT: RECEIPTS	-
LOCAL GOVERNMENT, WATER AND RELATED SETA: RECEIPTS	-
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES	-
SETA:RECEIPTS	70 589,62
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT: RECEIPTS	1 771 000,00
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT: RECEIPTS	469 000,00
THUSONG SERVICES CENTRES - OPERATIONAL: RECEIPTS	-
COMMUNITY LIBRARY SERVICES	-
COMMUNITY DEVELOPMENT WORKERS	-
WESTERN CAPE MUNICIPAL ENERGY RESILIENCE (WC MER)	-
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT	-
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TRANSPORT INFRASTRUCTURE	-
FINANCIAL MANAGEMENT CAPACITY BUILDING	500 000,00

6 230 633,11

The table above reflects the grant receipts for August 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 31 August 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

14/09/2023