

BITOU LOCAL MUNICIPALITY



## **Budget Statement for the month ended 31 October 2024**



## Table of Contents

Table of Contents.....	2
Glossary .....	3
Legislative Framework .....	5
Section 1 – October Report.....	5
Section 2 – Resolutions .....	5
Section 3 – Executive Summary .....	5
Section 4 – In-year budget statement tables .....	10
Section 5 – Debtors’ analysis .....	18
Section 6 – Creditors' age analysis .....	20
Section 7 – Investment portfolio analysis.....	21
Section 8 – Grant Performance.....	22
Municipal manager’s quality certification.....	23

## 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 – October Report

#### *1.1 In-Year Report – Monthly Budget Statement*

The report outlines the financial performance and position of the municipality for the month ended October 2024. 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 October 2024 amounts to R 183.4 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 2024/2025*

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 October 2024.

### 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) - M04 October										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands										
Revenue									%	
Exchange Revenue		477 681	531 266	531 266	44 552	168 610	177 089	(8 479)	-5%	531 266
Service charges - Electricity		230 904	262 129	262 129	20 599	85 756	87 376	(1 620)	-2%	262 129
Service charges - Water		87 795	90 492	90 492	7 281	28 496	30 164	(1 668)	-6%	90 492
Service charges - Waste Water Management		67 358	80 372	80 372	5 995	23 477	26 791	(3 313)	-12%	80 372
Service charges - Waste management		44 964	53 852	53 852	3 955	15 588	17 951	(2 363)	-13%	53 852
Sale of Goods and Rendering of Services		7 520	9 687	9 687	814	2 443	3 229	(786)	-24%	9 687
Agency services		2 498	2 840	2 840	222	703	947	(243)	-26%	2 840
Interest earned from Receivables		13 243	13 870	13 870	-	1 831	4 623	(2 792)	-60%	13 870
Interest earned from Current and Non Current Assets		13 203	12 448	12 448	429	3 388	4 149	(761)	-18%	12 448
Rental from Fixed Assets		1 354	2 210	2 210	147	551	737	(186)	-25%	2 210
Licence and permits		1 427	565	565	179	589	188	401	213%	565
Operational Revenue		7 415	2 800	2 800	4 931	5 788	933	4 854	520%	2 800
Non-Exchange Revenue		432 046	442 000	444 967	22 944	154 811	133 554	21 256	16%	444 967
Property rates		178 261	191 257	191 257	15 610	67 100	63 752	3 348	5%	191 257
Surcharges and Taxes		1 420	1 589	1 589	119	485	530	(45)	-8%	1 589
Fines, penalties and forfeits		60 451	50 836	50 836	4 859	13 020	16 945	(3 925)	-23%	50 836
Licence and permits		-	796	796	-	-	265	(265)	-100%	796
Transfer and subsidies - Operational		166 503	176 893	179 860	-	66 782	46 502	20 280	44%	179 860
Interest		2 292	1 844	1 844	1 205	2 743	615	2 129	346%	1 844
Operational Revenue		14 750	14 835	14 835	1 151	4 680	4 945	(264)	-5%	14 835
Gains on disposal of Assets		-	3 950	3 950	-	-	-	-		3 950
Other Gains		8 370	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and		909 728	973 266	976 233	67 496	323 421	310 643	12 778	4%	976 233
Expenditure By Type										
Employee related costs		312 820	370 938	370 938	3 503	82 466	122 268	(39 803)	-33%	370 938
Remuneration of councillors		7 376	7 879	7 879	583	2 356	2 626	(270)	-10%	7 879
Bulk purchases - electricity		197 628	231 959	226 959	14 425	73 410	75 653	(2 243)	-3%	226 959
Inventory consumed		16 652	18 699	19 047	2 333	4 474	6 349	(1 875)	-30%	19 047
Debt impairment		28 480	19 001	19 001	-	-	-	-		19 001
Depreciation and amortisation		48 851	40 002	40 002	6 667	13 334	13 334	1	0%	40 002
Interest		20 922	14 063	14 063	12	57	4 687	(4 631)	-99%	14 063
Contracted services		77 655	103 758	106 161	4 644	16 047	34 464	(18 417)	-53%	106 161
Transfers and subsidies		9 208	12 283	17 283	-	2 064	6 694	(4 631)	-69%	17 283
Irrecoverable debts written off		74 426	61 150	61 150	1 781	7 888	20 383	(12 495)	-61%	61 150
Operational costs		76 823	91 144	91 360	4 357	14 060	30 084	(16 024)	-53%	91 360
Losses on Disposal of Assets		3 217	-	-	-	-	-	-		-
Other Losses		111	-	-	-	-	-	-		-
Total Expenditure		874 170	970 877	973 844	38 303	216 155	316 542	(100 387)	-32%	973 844
Surplus/(Deficit)		35 558	2 389	2 389	29 193	107 266	(5 899)	113 165	(0)	2 389
Transfers and subsidies - capital (monetary allocations)		50 164	130 854	130 854	-	1 432	33 478	(32 046)	(0)	130 854
Transfers and subsidies - capital (in-kind)		33	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		85 755	133 243	133 243	29 193	108 698	27 578			133 243
Surplus/(Deficit) after income tax		85 755	133 243	133 243	29 193	108 698	27 578			133 243
Surplus/(Deficit) attributable to municipality		85 755	133 243	133 243	29 193	108 698	27 578			133 243
Surplus/ (Deficit) for the year		85 755	133 243	133 243	29 193	108 698	27 578			133 243

## **BITOU LOCAL MUNICIPALITY**

### **Revenue by Source**

#### **Property Rates**

Property rates for the month amounts to R15.6 million and when comparing the YTD actual to the YTD budget, the revenue source is over-performing at a percentage of 5%. This can mainly be ascribed to the removal of the remaining rebate amount to individuals whose property value is between R350 000 and R1 million, coupled with the annual rates levied.

#### **Electricity**

Revenue from electricity for the month amounts to R20.6 million. The anticipated budgeted revenue amounted to R87.4 million, while actuals at month end has a balance of R85.8 million, translating to the Revenue source adequately performing. Electricity revenue is influenced by fluctuating consumption during peak and off-peak periods and as we are in the peak season it is expected that a spike will occur in consumption. Focus has now shifted towards the effect of SSEG on our consumption patterns as various residents are now opting for solar installations.

#### **Water Service**

Water revenue as at end of October 2024 amounts to R28.5 million while YTD budget amounts to R30.2 million. This is an 6% under-performance consistent with the colder and wetter weather conditions and seasonal consumption patterns. As we are in the second quarter of the financial year, it is expected that the consumption will start to improve as the Holiday Season approaches.

#### **Sanitation Service**

Sanitation revenue amounts to R23.5 million while YTD budget amounts to R26.8 million. This translates to a 12% under-performance for this category of revenue, a month-on-month improvement from the start of the Financial Year. The revenue item will be monitored as it was performing adequately at the end of the previous financial year. This revenue source is still forming part of the revenue enhancement programme and it is anticipated that revenue gains from the revenue enhancement program will increase the revenue source over the remainder of the financial year-.

#### **Refuse Service**

Refuse revenue as at the end of October 2024 amounts R15.6 million while the YTD budget amounts to R17.9 million. This is an under performance of 13%. This category of revenue also forms part 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.

#### **Rental from Fixed Assets**

The revenue for Rental from Fixed Assets for October 2024 amounts to R551 000. This source of revenue is underperforming by 25%. 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 at the end of October 2024 amounts to R3.4 million and R1.8 million respectively, which in turn equates to a 18% and 60% under-performance of the revenue source. Due to a debtor system parameter issue, interest for October could not be processed, this is expected to be corrected in our next budget report. Investment revenue, based on past trends, will start performing adequately as we start investing more of our surplus funds.

## **BITOU LOCAL MUNICIPALITY**

### **Revenue for fines, penalties and forfeits**

Revenue from Fines as at end of October 2024 amounts to R13 million compared to the anticipated budgeted revenue of R16.9 million. This is an under-performance of 23%, which can be ascribed to revenue recognition done for the month of September 2024. The revenue for the month of October 2024 will be recognised as part of the November 2024 monthly reporting, as the reports are sent to the Municipality on the 7<sup>th</sup> working day.

### **Transfers and Subsidies**

Transfers have been recognised as at the end of October 2024 amounting to R66.8 million. It is anticipated that this result may come in-line with the budgetary predictions during the course of the financial year.

### **Sale of Goods and Rendering of Services**

Revenue collected as at end of October 2024 amounts to R2.4 million compared to an anticipated R3.2 million. This revenue source includes items such as building plan approval fees, town planning, fire services, staff housing etc.

### **Operational revenue**

Revenue collected as at the end of October 2024 amounts to R5.8 million compared to an anticipated R933 000. The major contributor for the sharp increase relates to revenue derived from development charges and as this revenue item is already over-performing it will be adjusted in the Mid-Term Adjustment budget.

**Total revenue** for the month of October 2024 amounts to R67.5 million with a YTD actual of R323.4 million, compared to the R310.6 million anticipated budgeted revenue for the month. This, however, exclude revenue from capital contributions.

## **Expenditure**

### **Employee related cost**

Employee related cost for the month of October 2024 amounts to R3.5 million, with an actual YTD figure of R82.5 million. When comparing this to the YTD budget, R122.3 million, it translates to an under performance of 33%. Failure by the HR section to encode the payday system has led to transactions to the value of approximately R20 million not being recognised at period end and this will only be included as part of the reporting for November 2024. The main factor contributing to the under-spending remains the vacant positions that have not been filled to date, coupled with employee benefits provisions that will be processed at year-end.

### **Remuneration of councillors**

Remuneration of councillors as at end of October 2024 amounts to R2.4 million. This expenditure item is underperforming by 10% for the month. This expenditure item will start coming in line once concurrence by the MEC for the increase in the upper limits of remuneration for councillors is provided and the new promulgated salaries are implemented.

### **Bulk Purchases**

Eskom payments for the month ended October 2024, amounts to R73.4 million. All payments are in respect of September invoices. October 2024 accounts will be forming part of next month's reporting. Currently this expenditure item is underperforming by 3%, however, this equates to a R 2.2Million variance, which based on consumption, means this item is adequately performing given the increase in solar projects in the area.

### **Depreciation**

Depreciation for October 2024 is performing according to the budgetary provision.

## **BITOU LOCAL MUNICIPALITY**

### **Inventory Consumed**

Expenditure for this item, for October 2024, amounts to R4.5 million while the YTD budget amounts to R6.3 million. This expenditure item is under-performing by 30% when compared to the YTD budget. This expenditure type relates to the consumption of materials and supplies/inventory at the stores used in operational and maintenance activities and is dependent on the rate at which operational and maintenance activities proceed.

### **Contracted Services**

Expenditure as at end of October 2024 amounts to R16 million and is under-performing by 53% when compared to the YTD budget of R34.5 million. It is expected that this category of expenditure will increase as we progress through the second quarter of the financial year.

### **Transfers and subsidies**

Expenditure as at end of October 2024 amounts R2.1 million when compared to the YTD budget of R6.7 million. An underperformance is reported for the month and expenditure falling under this category include grant-in-aid, payment to the shark spotter programme and our contribution to the regional landfill site and to tourism. The regional landfill in Mosselbay is not yet operational which contribute largely to the underspending.

### **Operational Cost**

Operational Cost as at end of October 2024 amounts to R14.1 million while the YTD budget amounts to R30.1 million, which translates to an under performance of 53%. 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 October 2024 amounts to R216.2 million in comparison to an anticipated expenditure budget of R316.5 million.

### **Conclusion on Financial Position and performance**

The municipality is reporting a Surplus for the month of R29.2 million, however given the employee cost anomaly, it is anticipated that the next reporting period will reflect a deficit. A year-to-date surplus of R108.7 million is reported. The current cash flow is sufficient to meet the short and medium-term operational requirements, and the focus now is to sustain operations in the long term. The current ratio is below the best practice norms. The liquidity position has improved from previous months; however, a concerted effort is still necessary for the municipality to achieve financial sustainability.

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. Management to note that expenditure is more than revenue since the beginning of the year.

See tables below C1 and C3 for the month ended 31 October 2024.

# BITOU LOCAL MUNICIPALITY

**WC047 Bitou - Table C1 Monthly Budget Statement Summary - M04 October**

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	178 261	191 257	191 257	15 610	67 100	63 752	3 348	5%	191 257
Service charges	431 020	486 846	486 846	37 829	153 317	162 282	(8 965)	-6%	486 846
Investment revenue	13 203	12 448	12 448	429	3 388	4 149	(761)	-18%	12 448
Transfers and subsidies - Operational	166 503	176 893	179 860	-	66 782	46 502	20 280	44%	179 860
Other own revenue	120 740	105 822	105 822	13 627	32 833	33 957	(1 124)	-3%	105 822
<b>Total Revenue (excluding capital transfers and</b>	<b>909 728</b>	<b>973 266</b>	<b>976 233</b>	<b>67 496</b>	<b>323 421</b>	<b>310 643</b>	<b>12 778</b>	<b>4%</b>	<b>976 233</b>
Employee costs	312 820	370 938	370 938	3 503	82 466	122 268	(39 803)	-33%	370 938
Remuneration of Councillors	7 376	7 879	7 879	583	2 356	2 626	(270)	-10%	7 879
Depreciation and amortisation	48 851	40 002	40 002	6 667	13 334	13 334	1	0%	40 002
Interest	20 922	14 063	14 063	12	57	4 687	(4 631)	-99%	14 063
Inventory consumed and bulk purchases	214 280	250 658	246 006	16 757	77 884	82 002	(4 117)	-5%	246 006
Transfers and subsidies	9 208	12 283	17 283	-	2 064	6 694	(4 631)	-69%	17 283
Other expenditure	260 712	275 053	277 672	10 782	37 995	84 930	(46 936)	-55%	277 672
<b>Total Expenditure</b>	<b>874 170</b>	<b>970 877</b>	<b>973 844</b>	<b>38 303</b>	<b>216 155</b>	<b>316 542</b>	<b>(100 387)</b>	<b>-32%</b>	<b>973 844</b>
<b>Surplus/(Deficit)</b>	<b>35 558</b>	<b>2 389</b>	<b>2 389</b>	<b>29 193</b>	<b>107 266</b>	<b>(5 899)</b>	<b>113 165</b>	<b>-1918%</b>	<b>2 389</b>
Transfers and subsidies - capital (monetary allocations)	50 164	130 854	130 854	-	1 432	33 478	(32 046)	-96%	130 854
Transfers and subsidies - capital (in-kind)	33	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>29 193</b>	<b>108 698</b>	<b>27 578</b>	<b>81 119</b>	<b>294%</b>	<b>133 243</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>85 755</b>	<b>133 243</b>	<b>133 243</b>	<b>29 193</b>	<b>108 698</b>	<b>27 578</b>	<b>81 119</b>	<b>294%</b>	<b>133 243</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>104 311</b>	<b>183 160</b>	<b>193 192</b>	<b>7 325</b>	<b>12 262</b>	<b>64 397</b>	<b>(52 135)</b>	<b>-81%</b>	<b>193 192</b>
Capital transfers recognised	44 924	107 616	107 616	5 078	9 901	35 872	(25 971)	-72%	107 616
Borrowing	35 920	50 033	52 932	741	760	17 644	(16 884)	-96%	52 932
Internally generated funds	23 434	25 511	32 643	1 506	1 601	10 881	(9 280)	-85%	32 643
<b>Total sources of capital funds</b>	<b>104 279</b>	<b>183 160</b>	<b>193 192</b>	<b>7 325</b>	<b>12 262</b>	<b>64 397</b>	<b>(52 135)</b>	<b>-81%</b>	<b>193 192</b>
<b>Financial position</b>									
Total current assets	560 528	466 245	451 857		614 539				451 857
Total non current assets	1 333 926	1 415 909	1 425 940		1 332 855				1 425 940
Total current liabilities	442 459	439 810	409 746		373 958				409 746
Total non current liabilities	192 078	199 510	225 217		191 556				225 217
<b>Community wealth/Equity</b>	<b>1 259 918</b>	<b>1 242 834</b>	<b>1 242 834</b>		<b>1 381 879</b>				<b>1 242 834</b>
<b>Cash flows</b>									
Net cash from (used) operating	-	153 694	153 694	51 605	30 397	28 456	(1 942)	-7%	863 246
Net cash from (used) investing	-	(179 210)	(189 242)	(7 325)	(12 262)	64 762	77 025	119%	198 237
Net cash from (used) financing	-	29 662	29 662	(53)	(210)	-	210		50 033
<b>Cash/cash equivalents at the month/year end</b>	<b>-</b>	<b>63 886</b>	<b>53 855</b>	<b>-</b>	<b>183 357</b>	<b>152 958</b>	<b>(30 399)</b>	<b>-20%</b>	<b>1 276 948</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	45 312	13 167	8 819	8 889	289 010	-	-	-	365 198
<b>Creditors Age Analysis</b>									
Total Creditors	-	-	-	-	-	-	-	-	-

## BITOU LOCAL MUNICIPALITY

### Financial Performance Expenditure by Municipal Vote

#### Revenue by vote

The performance of revenue by vote as at end October 2024 amounts to R67.5 million, this is an over performance of 5.6%. The detailed explanation on the revenue per item can be found in executive summary.

#### Expenditure by vote

The expenditure by vote as at October 2024 amounts R38.3 million. The total expenditure budget is under performing by 31.7%.

**WC047 Bitou - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October**

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Council		-	3 004	3 004	-	2 948	751	2 197	292,6%	3 004
Vote 2 - Office of the Municipal Manager		101 437	66 656	66 656	133	10 507	16 803	(6 296)	-37,5%	66 656
Vote 3 - Community Services		134 298	153 695	153 695	9 396	43 078	48 217	(5 139)	-10,7%	153 695
Vote 4 - Corporate Services		2 368	19	19	-	228	-	228		19
Vote 5 - Financial Services		209 749	224 929	224 929	17 437	84 054	74 917	9 138	12,2%	224 929
Vote 6 - Economic Development & Planning		29 638	111 335	114 302	842	2 304	29 314	(27 010)	-92,1%	114 302
Vote 7 - Engineering Services		482 307	544 481	544 481	39 688	181 733	174 119	7 614	4,4%	544 481
<b>Total Revenue by Vote</b>	2	<b>959 797</b>	<b>1 104 120</b>	<b>1 107 087</b>	<b>67 496</b>	<b>324 853</b>	<b>344 121</b>	<b>(19 268)</b>	<b>-5,6%</b>	<b>1 107 087</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Council		11 819	12 945	12 945	735	2 949	4 031	(1 083)	-26,9%	12 945
Vote 2 - Office of the Municipal Manager		28 496	32 114	32 114	1 114	6 994	10 466	(3 472)	-33,2%	32 114
Vote 3 - Community Services		249 539	252 128	257 128	6 731	49 507	83 443	(33 936)	-40,7%	257 128
Vote 4 - Corporate Services		66 195	89 641	89 641	3 371	18 741	29 880	(11 139)	-37,3%	89 641
Vote 5 - Financial Services		63 038	70 683	70 683	1 800	12 544	22 245	(9 701)	-43,6%	70 683
Vote 6 - Economic Development & Planning		43 038	52 018	54 985	468	13 409	17 819	(4 410)	-24,8%	54 985
Vote 7 - Engineering Services		412 044	461 348	456 348	24 084	112 012	148 658	(36 646)	-24,7%	456 348
<b>Total Expenditure by Vote</b>	2	<b>874 170</b>	<b>970 877</b>	<b>973 844</b>	<b>38 303</b>	<b>216 155</b>	<b>316 542</b>	<b>(100 387)</b>	<b>-31,7%</b>	<b>973 844</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>85 627</b>	<b>133 243</b>	<b>133 243</b>	<b>29 193</b>	<b>108 698</b>	<b>27 578</b>	<b>81 119</b>	<b>294,1%</b>	<b>133 243</b>

# BITOU LOCAL MUNICIPALITY

## Capital expenditure

WC047 Bitou - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 October

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 3 - Community Services		3 636	5 705	5 605	565	1 773	1 868	(96)	-5%	5 605
Vote 4 - Corporate Services		1 070	1 518	1 518	217	217	506	(289)	-57%	1 518
Vote 7 - Engineering Services		42 557	141 206	145 454	5 481	8 810	48 485	(39 675)	-82%	145 454
<b>Total Capital Multi-year expenditure</b>	4,7	<b>47 263</b>	<b>148 429</b>	<b>152 577</b>	<b>6 263</b>	<b>10 799</b>	<b>50 859</b>	<b>(40 060)</b>	<b>-79%</b>	<b>152 577</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 2 - Office of the Municipal Manager		149	-	731	-	-	244	(244)	-100%	731
Vote 3 - Community Services		1 021	3 496	3 698	-	-	1 233	(1 233)	-100%	3 698
Vote 4 - Corporate Services		699	642	642	251	251	214	37	17%	642
Vote 5 - Financial Services		33	-	-	-	-	-	-	-	-
Vote 6 - Economic Development & Planning		301	-	-	-	-	-	-	-	-
Vote 7 - Engineering Services		54 846	30 593	35 544	812	1 212	11 848	(10 636)	-90%	35 544
<b>Total Capital single-year expenditure</b>	4	<b>57 049</b>	<b>34 731</b>	<b>40 615</b>	<b>1 062</b>	<b>1 463</b>	<b>13 538</b>	<b>(12 075)</b>	<b>-89%</b>	<b>40 615</b>
<b>Total Capital Expenditure</b>	3	<b>104 311</b>	<b>183 160</b>	<b>193 192</b>	<b>7 325</b>	<b>12 262</b>	<b>64 397</b>	<b>(52 135)</b>	<b>-81%</b>	<b>193 192</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>17 223</b>	<b>9 350</b>	<b>11 266</b>	<b>1 188</b>	<b>1 268</b>	<b>3 755</b>	<b>(2 487)</b>	<b>-66%</b>	<b>11 266</b>
Executive and council		149	-	731	-	-	244	(244)	-100%	731
Finance and administration		17 073	9 350	10 535	1 188	1 268	3 512	(2 243)	-64%	10 535
<b>Community and public safety</b>		<b>4 207</b>	<b>6 302</b>	<b>6 353</b>	<b>565</b>	<b>1 773</b>	<b>2 118</b>	<b>(345)</b>	<b>-16%</b>	<b>6 353</b>
Community and social services		3 909	304	656	-	-	219	(219)	-100%	656
Sport and recreation		-	4 455	4 455	565	1 773	1 485	288	19%	4 455
Public safety		298	1 542	1 242	-	-	414	(414)	-100%	1 242
<b>Economic and environmental services</b>		<b>12 288</b>	<b>47 401</b>	<b>48 338</b>	<b>283</b>	<b>283</b>	<b>16 113</b>	<b>(15 829)</b>	<b>-98%</b>	<b>48 338</b>
Planning and development		301	-	-	-	-	-	-	-	-
Road transport		11 987	47 401	48 338	283	283	16 113	(15 829)	-98%	48 338
<b>Trading services</b>		<b>70 593</b>	<b>120 108</b>	<b>127 234</b>	<b>5 289</b>	<b>8 938</b>	<b>42 411</b>	<b>(33 473)</b>	<b>-79%</b>	<b>127 234</b>
Energy sources		19 492	26 065	29 759	-	-	9 920	(9 920)	-100%	29 759
Water management		33 290	45 070	48 452	3 127	4 771	16 151	(11 380)	-70%	48 452
Waste water management		17 811	46 673	46 673	2 162	4 167	15 558	(11 391)	-73%	46 673
Waste management		-	2 300	2 350	-	-	783	(783)	-100%	2 350
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>104 311</b>	<b>183 160</b>	<b>193 192</b>	<b>7 325</b>	<b>12 262</b>	<b>64 397</b>	<b>(52 135)</b>	<b>-81%</b>	<b>193 192</b>
<b>Funded by:</b>										
National Government		29 398	29 331	29 331	1 375	4 961	9 777	(4 816)	-49%	29 331
Provincial Government		15 527	78 285	78 285	3 703	4 941	26 095	(21 154)	-81%	78 285
<b>Transfers recognised - capital</b>		<b>44 924</b>	<b>107 616</b>	<b>107 616</b>	<b>5 078</b>	<b>9 901</b>	<b>35 872</b>	<b>(25 971)</b>	<b>-72%</b>	<b>107 616</b>
<b>Borrowing</b>	6	<b>35 920</b>	<b>50 033</b>	<b>52 932</b>	<b>741</b>	<b>760</b>	<b>17 644</b>	<b>(16 884)</b>	<b>-96%</b>	<b>52 932</b>
<b>Internally generated funds</b>		<b>23 434</b>	<b>25 511</b>	<b>32 643</b>	<b>1 506</b>	<b>1 601</b>	<b>10 881</b>	<b>(9 280)</b>	<b>-85%</b>	<b>32 643</b>
<b>Total Capital Funding</b>	7	<b>104 279</b>	<b>183 160</b>	<b>193 192</b>	<b>7 325</b>	<b>12 262</b>	<b>64 397</b>	<b>(52 135)</b>	<b>-81%</b>	<b>193 192</b>

## BITOU LOCAL MUNICIPALITY

### Capital Expenditure Analysis

Capital Expenditure for the month equals R7 325 280.50, which translates to a 7% spent when comparing it to the YTD budget.

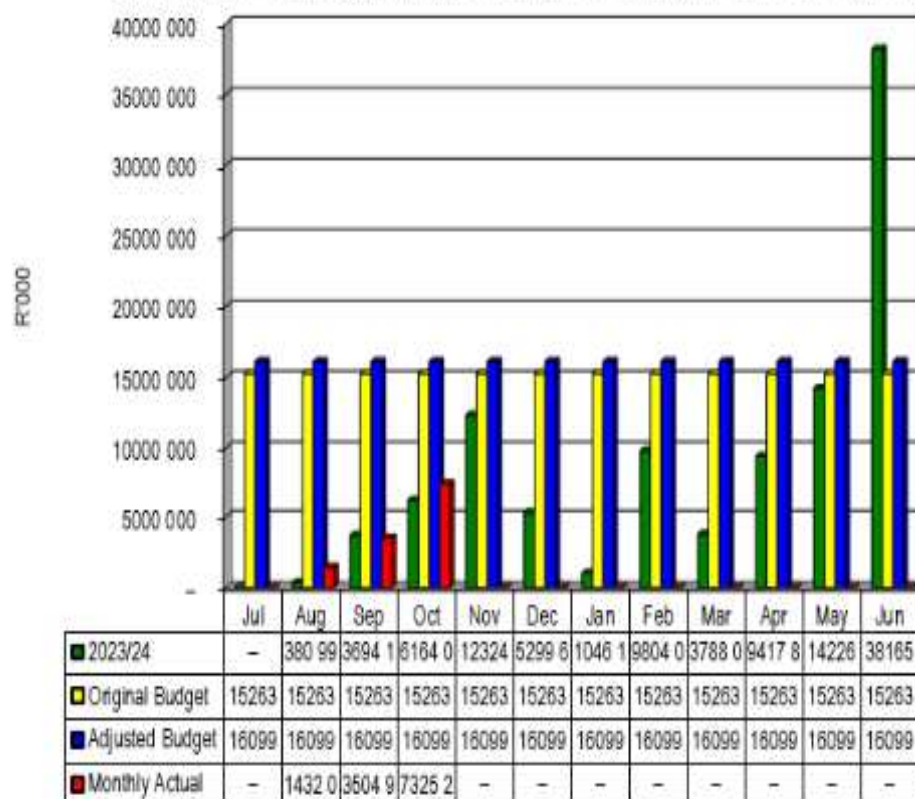
It should be noted that majority of the approved capital projects currently reflect a 0% spending which could mean these projects are under-performing, however cognisance must be taken that various projects are underway and payment for work done will only reflect in subsequent months.

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.

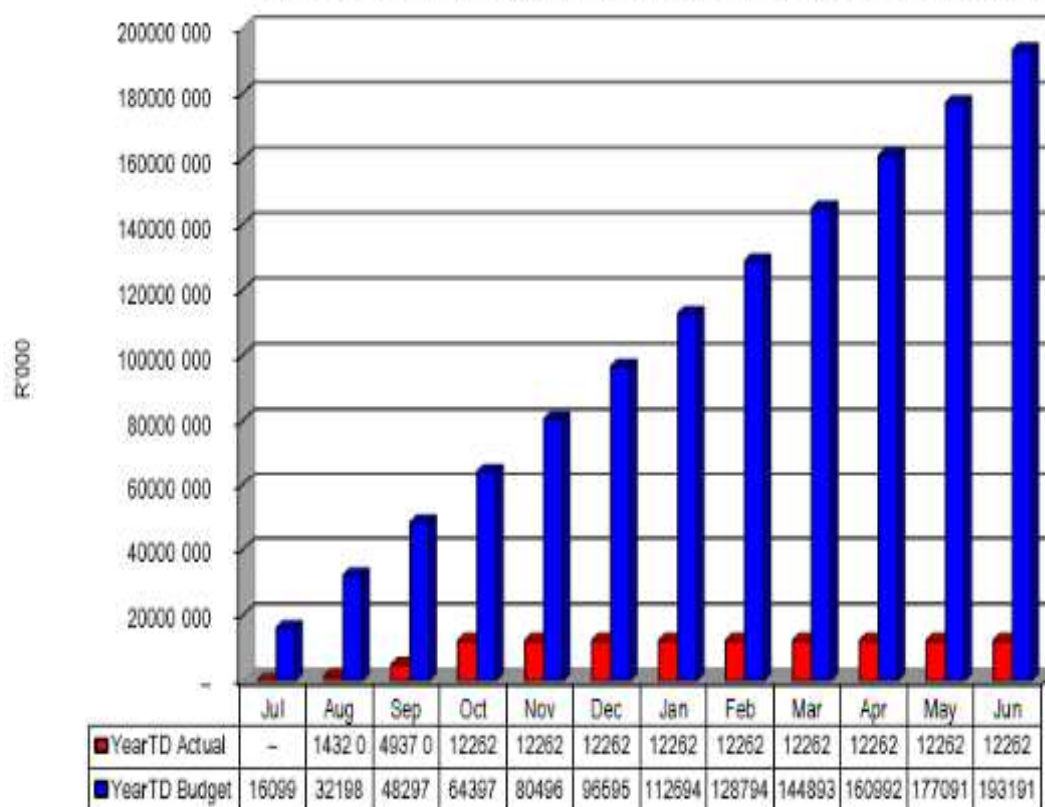
### Capital Grants Analysis

Grants	Original Budget	Amended Budget	Monthly Actual	Shadow Balance	YTD Expenditure
<b>MIG</b>	18 895 912,00	18 895 912,00	1 375 218,73	9 948 868,58	4 960 810,30
<b>WATER SERVICE INFRASTRUCTURE GRANT</b>	10 434 783,00	10 434 783,00	-	800 000,00	-
<b>INFORMAL SETTLEMENT UPGRADING PARTNERSHIP GRANT</b>	16 650 000,00	16 650 000,00	326 425,00	237 060,00	335 425,00
<b>HUMAN SETTLEMENTS DEVELOPMENT PARTNERSHIP GRANT</b>	60 351 000,00	60 351 000,00	3 376 519,52	52 226 691,62	5 593 942,16
<b>FIRE SERVICES CAPACITY GRANT</b>	980 000,00	980 000,00	-	-	-
<b>LIBRARY CONDITIONAL GRANT</b>	304 345,00	304 345,00	-	-	-
<b>AFR</b>	25 510 549,00	31 745 206,00	785 843,19	4 453 456,95	880 793,19
<b>BORROWINGS</b>	50 033 373,00	53 830 324,00	1 461 274,06	7 045 892,11	1 843 402,33
<b>TOTAL</b>	<b>183 159 962,00</b>	<b>193 191 570,00</b>	<b>7 325 280,50</b>	<b>74 711 969,26</b>	<b>13 614 372,98</b>

**Chart C1 2024/25 Capital Expenditure Monthly Trend: actual v target**



**Chart C2 2024/25 Capital Expenditure: YTD actual v YTD target**



# BITOU LOCAL MUNICIPALITY

## Statement of Financial Position

**WC047 Bitou - Table C6 Monthly Budget Statement - Financial Position - M04 October**

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
<b>R thousands</b>						
<b>ASSETS</b>	1					
<b>Current assets</b>						
Cash and cash equivalents		165 432	60 220	45 882	183 357	45 882
Trade and other receivables from exchange transactions		54 528	75 841	75 841	72 769	75 841
Receivables from non-exchange transactions		40 213	97 230	97 230	53 030	97 230
Current portion of non-current receivables		9	11	11	9	11
Inventory		15 845	20 180	19 832	15 712	19 832
VAT		283 602	212 584	212 584	287 815	212 584
Other current assets		898	180	478	1 846	478
<b>Total current assets</b>		<b>560 528</b>	<b>466 245</b>	<b>451 857</b>	<b>614 539</b>	<b>451 857</b>
<b>Non current assets</b>						
Investment property		14 050	12 692	12 692	14 050	12 692
Property, plant and equipment		1 319 839	1 403 181	1 413 213	1 318 767	1 413 213
Heritage assets		38	35	35	38	35
<b>Total non current assets</b>		<b>1 333 926</b>	<b>1 415 909</b>	<b>1 425 940</b>	<b>1 332 855</b>	<b>1 425 940</b>
<b>TOTAL ASSETS</b>		<b>1 894 455</b>	<b>1 882 153</b>	<b>1 877 797</b>	<b>1 947 394</b>	<b>1 877 797</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Financial liabilities		20 425	1 103	1 103	20 041	1 103
Consumer deposits		11 362	9 848	9 848	11 665	9 848
Trade and other payables from exchange transactions		125 575	86 278	84 889	35 649	84 889
Trade and other payables from non-exchange transactions		(31 261)	(13 526)	(16 493)	(21 538)	(16 493)
Provision		47 936	116 950	91 242	48 183	91 242
VAT		268 421	239 157	239 157	279 959	239 157
<b>Total current liabilities</b>		<b>442 459</b>	<b>439 810</b>	<b>409 746</b>	<b>373 958</b>	<b>409 746</b>
<b>Non current liabilities</b>						
Financial liabilities		107 718	130 734	130 734	107 718	130 734
Provision		13 801	10 320	10 320	83 838	10 320
Other non-current liabilities		70 559	58 456	84 163	-	84 163
<b>Total non current liabilities</b>		<b>192 078</b>	<b>199 510</b>	<b>225 217</b>	<b>191 556</b>	<b>225 217</b>
<b>TOTAL LIABILITIES</b>		<b>634 536</b>	<b>639 320</b>	<b>634 963</b>	<b>565 514</b>	<b>634 963</b>
<b>NET ASSETS</b>	2	<b>1 259 918</b>	<b>1 242 834</b>	<b>1 242 834</b>	<b>1 381 879</b>	<b>1 242 834</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		1 183 237	1 167 034	1 167 034	1 305 198	1 167 034
Reserves and funds		76 681	75 800	75 800	76 681	75 800
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1 259 918</b>	<b>1 242 834</b>	<b>1 242 834</b>	<b>1 381 879</b>	<b>1 242 834</b>

The table above reflects the statement of financial position of the municipality. The total current assets at the end of October 2024 amounts to R614.5 million. The municipality reports total short-term investments at R152.9 million. The municipality reports a cashbook surplus of R30.4 million.

The current liabilities for the month amounts R373.9 million. The current ratio for the month equates 1.64:1, 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.

# BITOU LOCAL MUNICIPALITY

## Cash flow analysis

WC047 Bitou - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	1								%	
<b>Receipts</b>										
Property rates		-	175 067	175 067	16 650	62 624	58 356	4 269	7%	175 067
Service charges		-	434 972	434 972	30 860	114 702	144 991	(30 288)	-21%	434 972
Other revenue		-	26 596	26 596	20 283	39 129	7 819	31 310	400%	23 458
Transfers and Subsidies - Operational		-	176 723	176 723	3 322	74 146	45 978	28 168	61%	176 723
Transfers and Subsidies - Capital		-	130 854	130 854	5 518	15 802	33 478	(17 676)	-53%	130 854
Interest		-	12 448	12 448	1 714	7 205	4 149	3 056	74%	12 448
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		-	(776 920)	(776 920)	(26 731)	(281 091)	(258 461)	22 630	-9%	(64 231)
Interest		-	(14 063)	(14 063)	(12)	(57)	(4 687)	(4 631)	99%	(14 063)
Transfers and Subsidies		-	(11 983)	(11 983)	-	(2 064)	(3 167)	(1 103)	35%	(11 983)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		-	153 694	153 694	51 605	30 397	28 456	(1 942)	-7%	863 246
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	3 950	3 950	-	-	-	-		3 950
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		-	(183 160)	(193 192)	(7 325)	(12 262)	64 762	77 025	119%	194 287
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		-	(179 210)	(189 242)	(7 325)	(12 262)	64 762	77 025	119%	198 237
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	50 033	50 033	-	-	-	-		50 033
Increase (decrease) in consumer deposits		-	-	-	77	303	-	303	0%	-
<b>Payments</b>										
Repayment of borrowing		-	(20 372)	(20 372)	(131)	(514)	-	514	0%	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		-	29 662	29 662	(53)	(210)	-	210	0%	50 033
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		-	4 146	(5 885)	44 226	17 925	93 218			1 111 516
Cash/cash equivalents at beginning:		-	59 740	59 740		165 432	59 740			165 432
Cash/cash equivalents at month/year end:		-	63 886	53 855		183 357	152 958			1 276 948

The municipality is reporting a surplus of R51.6 million on monthly actual net cash from operating activities. These are mostly month to month operating expenses and operating income. The major difference from last month is the expenditure on Employee related that was not recognised.

Monthly actual net cash **(used)** on investing activities is reported at R7.3 million 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 October 2024 amounts to R 53 000. The previous bi-annual redemption was done in June 2024. The next payment will occur in December 2024:

The municipality reports cash and cash equivalents amounting to R183.4 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 - M04 October

Description	NT Code	Budget Year 2024/25											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	7 459	3 037	2 421	2 449	87 417	-	-	-	102 783	89 866	602	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	16 397	1 818	1 087	526	16 046	-	-	-	35 874	16 572	9	-	
Receivables from Non-exchange Transactions - Property Rates	1400	11 007	2 865	1 581	1 739	42 764	-	-	-	59 957	44 503	24	-	
Receivables from Exchange Transactions - Waste Water Management	1500	6 244	3 387	2 159	2 059	97 128	-	-	-	110 977	99 187	709	-	
Receivables from Exchange Transactions - Waste Management	1600	4 011	1 890	1 403	1 349	58 328	-	-	-	66 982	59 678	429	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	194	171	167	767	(12 675)	-	-	-	(11 376)	(11 908)	8	-	
Total By Income Source	2000	45 312	13 167	8 819	8 889	289 010	-	-	-	365 198	297 899	1 781	-	
2023/24 - totals only										-	-			
Debtors Age Analysis By Customer Group														
Organs of State	2200	608	237	105	115	997	-	-	-	2 063	1 112	-	-	
Commercial	2300	5 737	683	403	333	5 510	-	-	-	12 666	5 843	-	-	
Households	2400	38 967	12 248	8 311	8 442	282 502	-	-	-	350 469	290 944	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	45 312	13 167	8 819	8 889	289 010	-	-	-	365 198	297 899	-	-	

### Debtor’s age analysis

The debtors’ book of the municipality reflects R 289 million on outstanding debtors older than 121 days and a total outstanding amount of R 365.2 million.

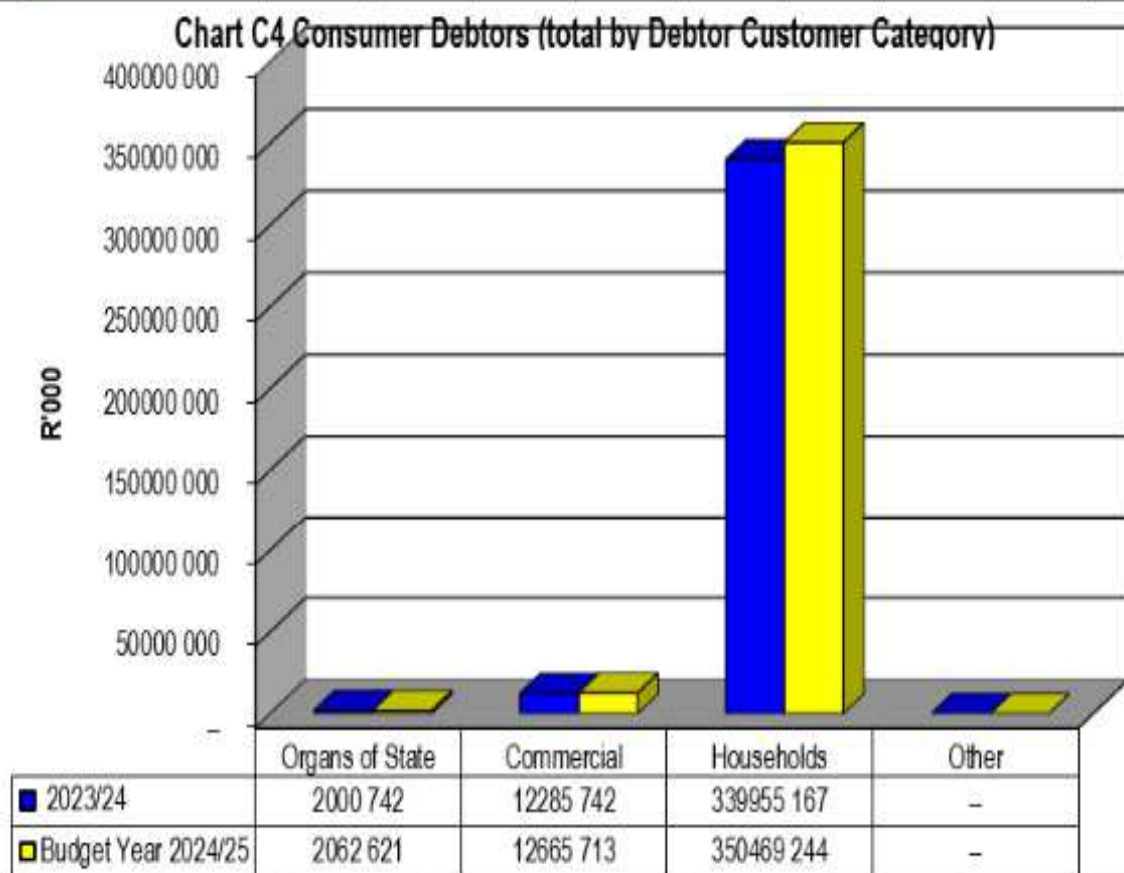
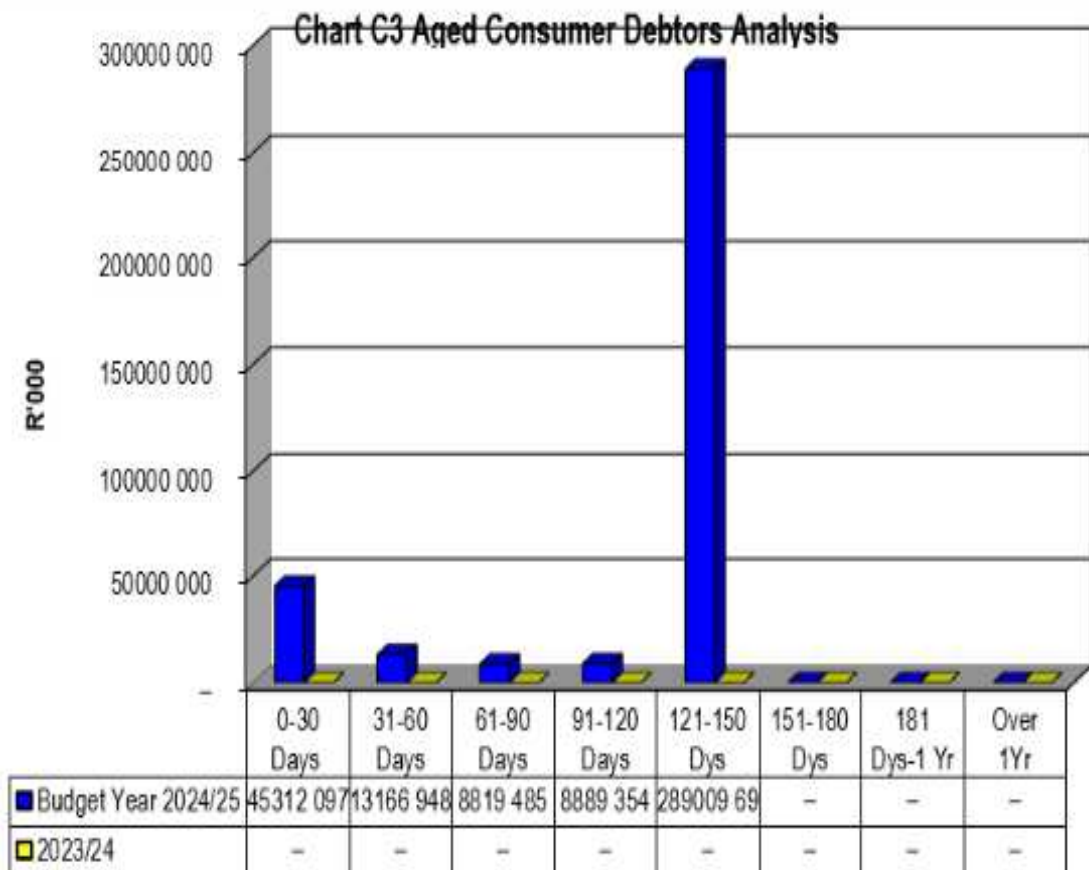
The contributors to the outstanding debt remain the household debt which represent 95.97% of total debt, followed by businesses with 3.47% and organs of state contributing 0.56%

The municipality has monthly debt collection strategies to help ensure that outstanding revenue is collected, which includes blocking prepaid electricity for users in arears and applying water restrictions in arears 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 7<sup>th</sup> of every month.

The collection rate for the month of October 2024 is 92%. See below debtor payment percentage breakdown achieved for October 2024.

DEBTOR PAYMENT % ACHIEVED				
DETAILS	Aug-24	Sep-24	Oct-24	Annual
Gross Debtors Opening Balance	335 967 417,84	346 643 406,50	361 650 019,63	335 576 739,61
Billed Revenue	66 598 460,77	67 185 014,27	67 651 871,90	268 620 701,57
Gross Debtors Closing Balance	346 643 406,50	361 650 019,63	365 197 577,85	365 197 577,85
Bad Debt Written off	655 855,22	-	1 839 700,82	8 204 909,29
Payment received	55 266 616,89	54 178 401,14	62 264 612,86	230 794 954,04
Billed Revenue	66 598 460,77	67 185 014,27	67 651 871,90	268 620 701,57
<b>% Debtor payment achieved</b>	<b>84%</b>	<b>81%</b>	<b>92%</b>	<b>86%</b>

## BITOU LOCAL MUNICIPALITY



# BITOU LOCAL MUNICIPALITY

## Section 6 – Creditors' age analysis

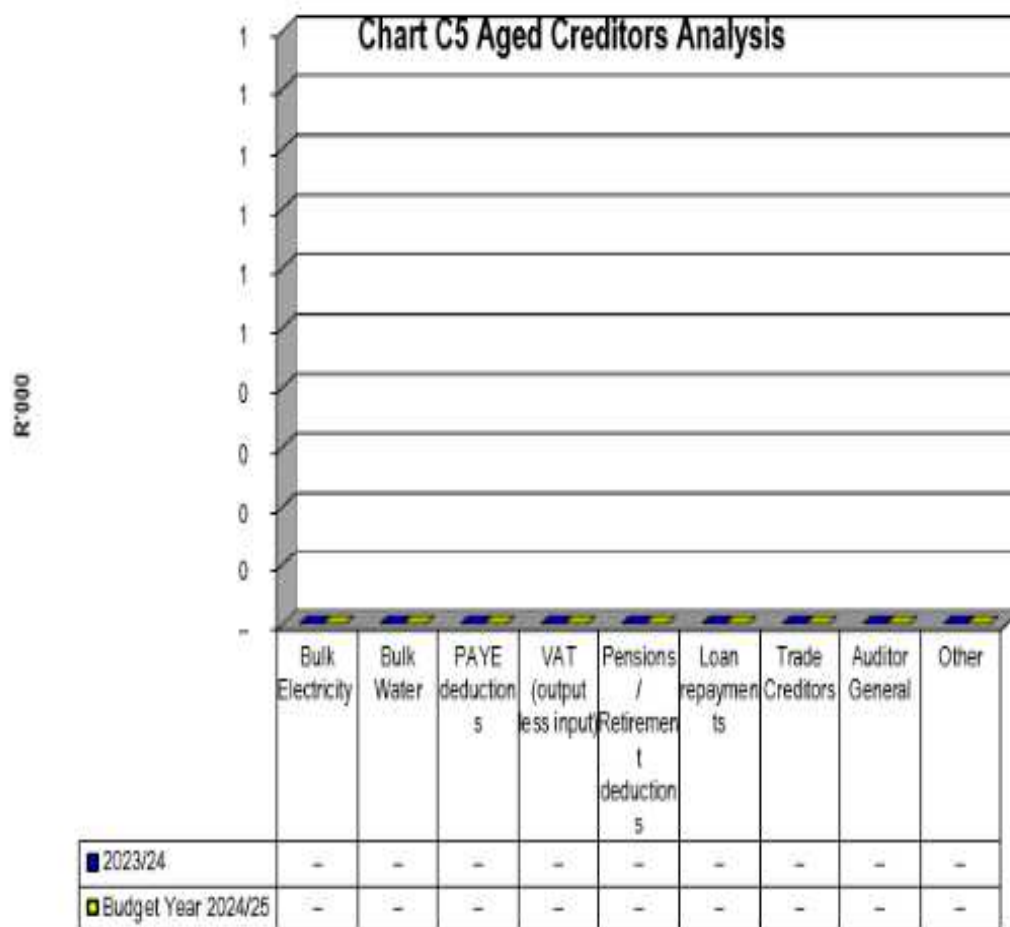
### 6.1 Supporting Table SC4

Table SC4 reflects the trade creditors

WC047 Bitou - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October											
Description	NT Code	Budget Year 2024/25									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	-

### Creditors Age Analysis

The municipality reports a total amount of R2.9 million on trade creditors in September 2024, due to an anomaly on the system, it is currently showing R0.00. this will be corrected during the next reporting period. It is confirmed that all creditors are paid strictly in accordance with the MFMA prescripts of 30 days from invoice.



# BITOU LOCAL MUNICIPALITY

## Section 7 – Investment portfolio analysis

### 7.1 Supporting Table SC5

WC047 Bitou - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October														
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 <sup>a</sup>	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening	Interest to be	Partial /	Investment	Closing
										balance	realised	Premature Withdrawal (4)	Top Up	Balance
		R thousands	Yrs/Months											
<u>Municipality</u>														
Absa: 9380348553		Call deposit	Call deposit						Call deposit	19 933	-		-	19 933
Standard Bank: 488607000-079		Call deposit	Call deposit						Call deposit	5 453	-		-	5 453
Standard Bank: 488607000-078		Call deposit	Call deposit						Call deposit	5 453	-		-	5 453
Absa: 9381946782		Call deposit	Call deposit						Call deposit	11 987	-		-	11 987
Nedbank: 037881052406		365 days	Fixed deposit						11/09/2025	50 000	-		-	50 000
Standard Bank: 488607000-087		360 days	Fixed deposit						06/09/2025	47 745	-		-	47 745
Standard Bank: 488607000-088		150 days	Fixed deposit						08/02/2025	12 385	-		-	12 385
Municipality sub-total										152 956	-		-	152 956

### Investment portfolio analysis

The municipality has investments with a total value of R152.9 million as at October 2024. 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 (M04)
WATER SERVICES INFRASTRUCTURE GRANT	-
LOCAL GOVERNMENT, WATER AND RELATED SERVICE SETA	329 528,41
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT	580 073,30
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	280 899,64
EQUITABLE SHARE	64 228 000,00
HUMAN SETTLEMENT DEVELOPMENT - OPERATIONAL	-
COMMUNITY DEVELOPMENT WORKERS (CDW) - OPERATIONAL	-
COMMUNITY LIBRARY SERVICES - OPERATIONAL	103 049,77
LOCAL GOVERNMENT PUBLIC EMPLOYMENT SUPPORT - OPERATIONAL	-
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES -	3 429 977,72
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT	-
MUNICIPAL INFRASTRUCTURE GRANT	6 814 333,23
REGIONAL SOCIAL ECONOMIC PROJECTS (RSEP) - CAPITAL	-
THUSONG SERVICES CENTRES	-
TITLE DEEDS RESTORATION	-
LOCAL GOVERNMENT GRADUATE INTERNSHIP - OPERATIONAL	-
INFORMAL SETTLEMENT UPGRADING PARTNERSHIP: PROVINCES (BENEFICIARIES)	368 938,75
FINANCIAL MANAGEMENT CAPACITY BUILDING	-
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TRANSPORT INFRASTRUCTURE - OPERATIONAL	-

**76 134 800,82**

The table above reflects the income recognition done for the month of October 2024.

Grant Description	Year- To-Date Actual Balance (M04)
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT: RECEIPTS	-
MUNICIPAL INFRASTRUCTURE GRANT: RECEIPTS	11 802 000,00
WATER SERVICES INFRASTRUCTURE GRANT: RECEIPTS	4 000 000,00
LOCAL GOVERNMENT, WATER AND RELATED SETA: RECEIPTS	-
LIBRARY SERVICES REPLACEMENT FUNDING FOR MOST VULNERABLE B3 MUNICIPALITIES SETA:RECEIPTS	6 606 000,00
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT: RECEIPTS	1 800 000,00
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT: RECEIPTS	320 869,57
THUSONG SERVICES CENTRES - OPERATIONAL: RECEIPTS	-
COMMUNITY LIBRARY SERVICES	1 172 000,00
COMMUNITY DEVELOPMENT WORKERS	19 000,00
WESTERN CAPE MUNICIPAL ENERGY RESILIENCE (WC MER)	-
EQUITABLE SHARE	64 228 000,00
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TRANSPORT INFRASTRUCTURE	-
FINANCIAL MANAGEMENT CAPACITY BUILDING	-

**89 947 869,57**

The table above reflects the grant receipts for October 2024.

## BITOU LOCAL MUNICIPALITY

### 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:*

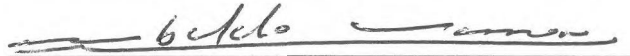
#### QUALITY CERTIFICATE

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 October 2024 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Signature



Print Name: M Memani

Municipal Manager of Bitou Local Municipality – WC047

Date

12/11/2024