



Tokologo
LOCAL MUNICIPALITY

Section 52 of MFMA
Quarterly Budget Monitoring Report
Quarter 1
(July – September 2023)

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1. Executive summary

1.1 Introduction

Council of the Municipality approved Budget in terms of Circular 70 and 72 of Municipal Finance Management Act (MFMA), Act 56 of 2003 and Municipal Budget and Reporting Regulations (MBRR) as promulgated in 2009. The Budget document was submitted to both National and Provincial Treasury in both hard and soft copies.

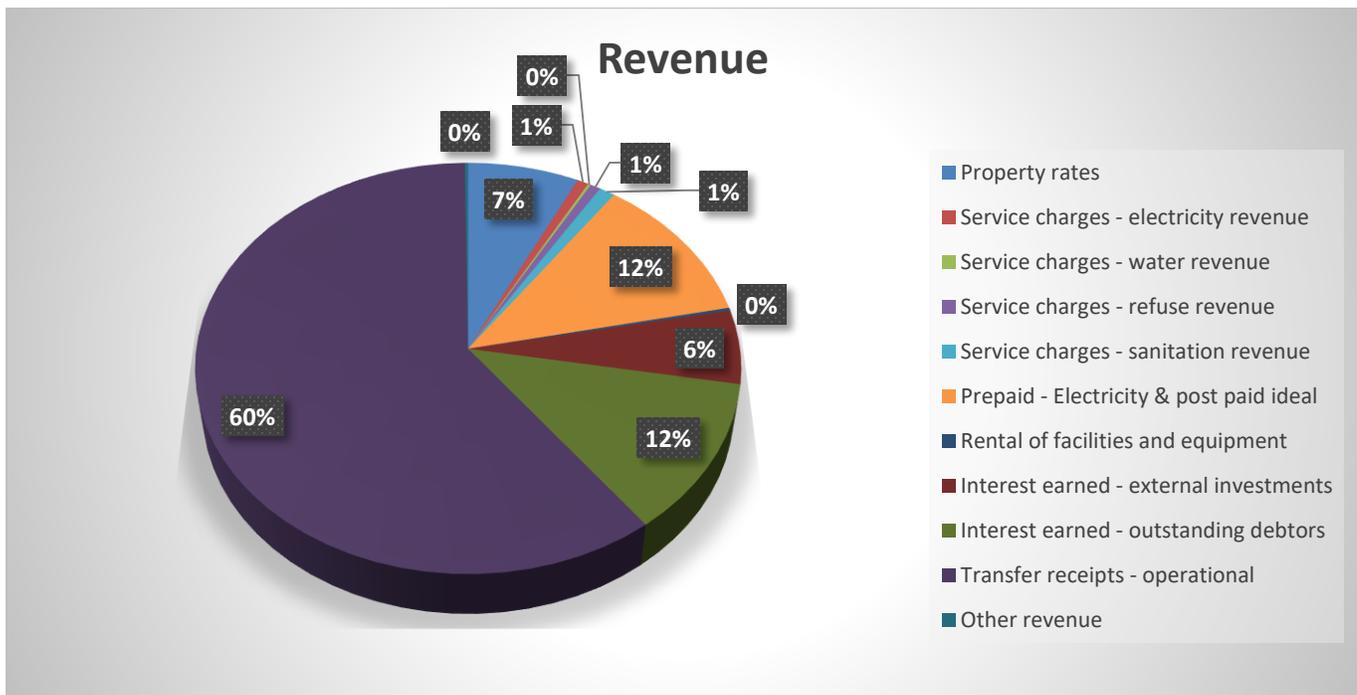
Section 71(1) of the Municipal Finance Management Act (MFMA) requires from the Municipal Manager, as Accounting Officer of the Municipality, to submit a report in a prescribed format to the Mayor within 10 working days after the end of each month on the state of the municipality's budget for that month and for the financial year up to the end of that month.

In accordance with section 52(d) Municipal Finance Management Act no. 56 of 2003, the Major of a municipality must with 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality

1.2 Overview

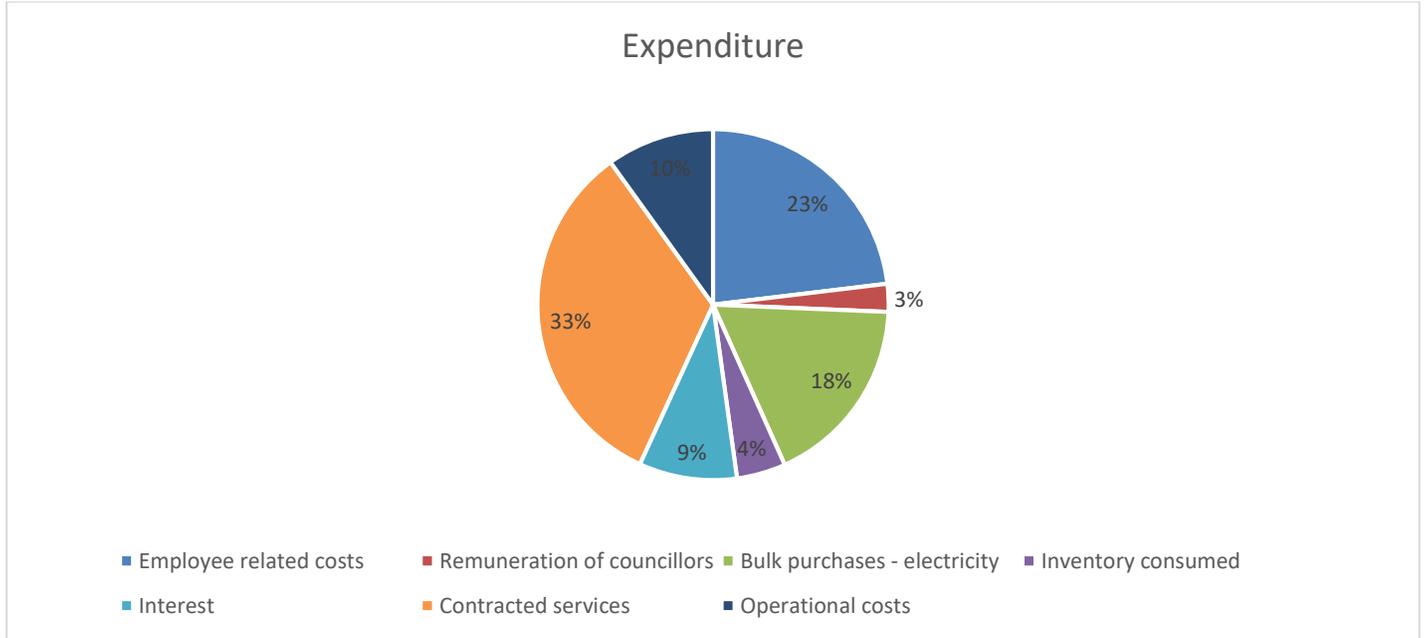
1.2.1 Revenue

Total revenue received for the quarter amounted to **R 52 391 896**, from the chart below it can be seen that the main source of revenue for the quarter is from Grants 60% (R 31 485 609), followed by Prepaid electricity (R 6 224 198) and interest earned from outstanding debtors (R 6 255 437) both at 12%, followed by property rates at 7% (R 3 784 777) and Interest earned from external investors (R 6 255 437) at 6% and the remaining 3% is shared among other services.



1.2.2 Operating expenditure

Total Expenditure for the quarter amounts to **R 58 679 251** from the chart below table, it can be seen that 33% (R 19 499 163) of the expenditure is from Contracted Services, 23% (R 13 551 509) Employee Related Costs, 18% (R 10 354 109) is from other expenditure, another 10% (R 5 822 250) is from operational costs, the remaining 16% is from Interest, remuneration of councillors and inventory consumed (water purchases).



Collection Rate (July – September) 2023

Service Type	Billed (R)	Collected (R)	Percentage (%)
Property rates	R 3 434 084	R 3 784 777	110%
Electricity Conventional	R 618 561	R 383 451	62%
Water	R 1 981 902	R 98 234	5%
Waste disposal	R 6 794 621	R 349 187	5%
Sanitation	R 10 481 509	R 534 912	5%
Prepaid - Electricity	R 6 224 198	R 6 224 198	100%
Total	R 29 534 874	R 11 374 759	39%

As per table above, when taking into consideration what was billed and received in Quarter 1 (July – September) the Quarterly collection rate is 24%.

1.2.3 Cash flow

Detail	Month 01 Jul	Month 02 Aug	Month 03 Sep	TOTAL
Cash Receipts by Source				
Property rates	1,407,974	2,107,120	269,684	3,784,778
Property rates - penalties & collection charges	0	0	0	0
Service charges - electricity revenue	2,210,296	2,229,224	2,168,128	6,607,648
Service charges - water revenue	37,385	29,566	31,283	98,234
Service charges - sanitation revenue	206,154	171,669	157,089	534,912
Service charges - refuse revenue	140,349	103,552	105,287	349,187
Service charges - other	0	0	0	0
Rental of facilities and equipment	40,651	53,716	24,270	118,637
Interest earned - external investments	3,040,195	3,779	0	3,043,974
Interest earned - outstanding debtors	10,808	3,101,887	3,142,742	6,255,437
Dividends received	0	0	0	0
Fines	0	0	0	0
Licences and permits	0	0	0	0
Agency services	0	0	0	0
Transfer receipts - operational	29,354,000	3,000,000	0	32,354,000
Other revenue	9,587	4,192	99,701	113,480
Cash Receipts by Source	36,457,398	10,804,705	5,998,184	53,260,287
Other Cash Flows/Receipts by Source				
Transfer receipts - capital	27,782,770	8,970,819	44,226,571	80,980,160
Contributions recognised - capital & Contributed	0	0	0	0
Proceeds on disposal of PPE	0	0	0	0
Short term loans	0	0	0	0
Borrowing long term/refinancing	0	0	0	0
Increase (decrease) in consumer deposits	0	0	0	0
Decrease (Increase) in non-current debtors	0	0	0	0
Decrease (increase) other non-current	0	0	0	0
Decrease (increase) in non-current investments	0	0	0	0
Total Cash Receipts by Source	64,240,168	19,775,524	50,224,755	134,240,447
Cash Payments by Type				
Employee related costs	4,570,138	4,443,420	4,537,951	13,551,509
Remuneration of councillors	404,399	472,061	629,266	1,505,726
Collection costs	0	0	0	0
Interest paid	768,772	77,399	4,453,017	5,309,188
Bulk purchases - Electricity	1,605,599	139,207	8,609,302	10,354,109
Bulk purchases - Water & Sewer	1,506,719	888,558	252,029	2,647,306
Contracted services	10,950,958	5,694,660	2,853,545	19,499,163
Grants and subsidies paid - other municipalities	0	0	0	0
Grants and subsidies paid - other	0	0	0	0
General expenses	2,946,872	1,665,805	1,209,573	5,822,250
Cash Payments by Type	22,753,457	13,381,110	22,544,683	58,679,251
Other Cash Flows/Payments by Type				
Capital assets	6,944,603	9,428,446	29,658,141	46,031,190
Repayment of borrowing	0	0	0	0
Other Cash Flows/Payments	0	0	0	0
Total Cash Payments by Type	29,698,060	22,809,556	52,202,824	104,710,441

1.2.4 Conditional grants

Finance Management Grant (FMG) is spent according to the activity plan submitted to National treasury which includes among others stipends of the interns that will be appointed, the full FMG amount of R 3 000 000 was received in August 2023. Expenditure for the quarter under review is R 1 217 915.

Extended Public works program (EPWP): The municipality has received R 237 000 to date. Expenditure for the quarter under review is R 245 822.

Municipal Infrastructure Grant (MIG): The municipality has received R 9 285 000 to date, and R 2 644 408 has been spend to date.

Regional bulk (DWS): It is an indirect grant and the municipality has received R 65 753 160 and the municipality has spent R 40 780 605.

Water Service Infrastructure (WSIG): The municipality received R 5 705 000 and R 2 606 177 has been spent to date.

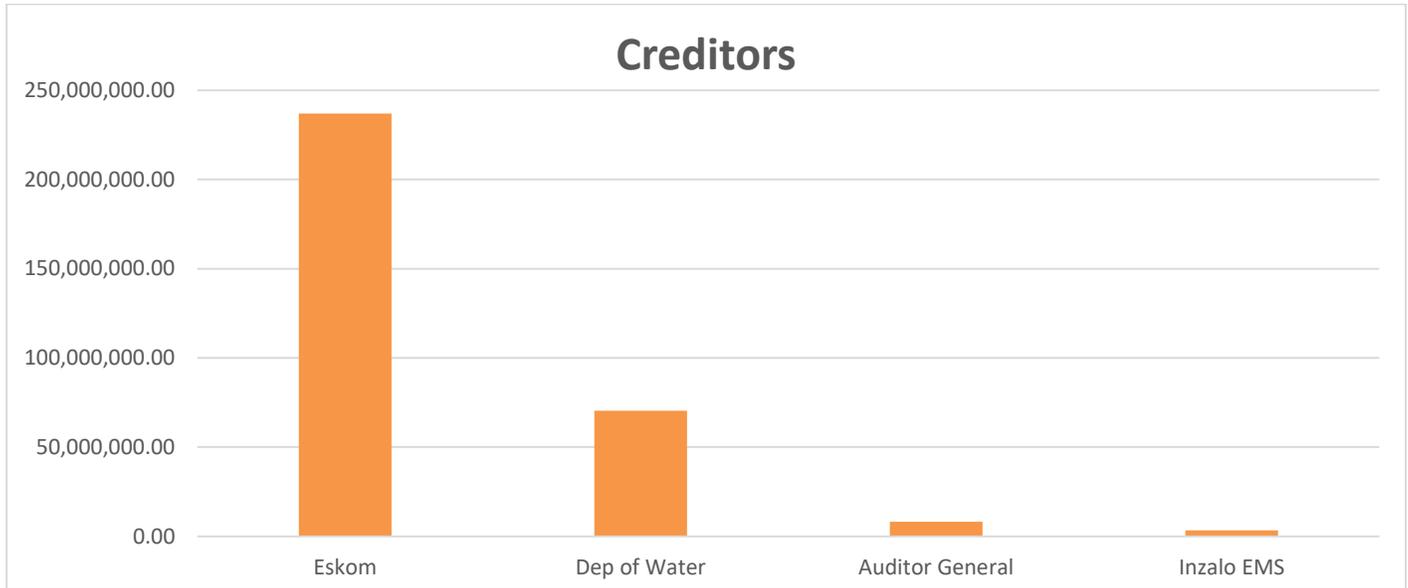
1.2.5 Capital Expenditure

Total expenditure for Quarter 1

Grant	Total Funds received	Total Allocation	Expenditure to date	Unspent Grants	Percentage to date
DWS	R 65 753 160	R 50 000 000	R 40 780 605	R 24 972 555	62%
WSIG	R 5 705 000	R 20 727 000	R 2 606 177	R 3 098 823	46%
MIG	R 9 285 000	R 18 969 000	R 2 644 408	R 6 640 592	28%
EPWP	R 237 000	R 950 000	R 245 822	R - 8 822	104%
INEG	R -	R 1 960 000	R -	R -	0%
TOTAL	R 80 980 160	R 92 606 000	R 46 277 012	R 23 264 785	

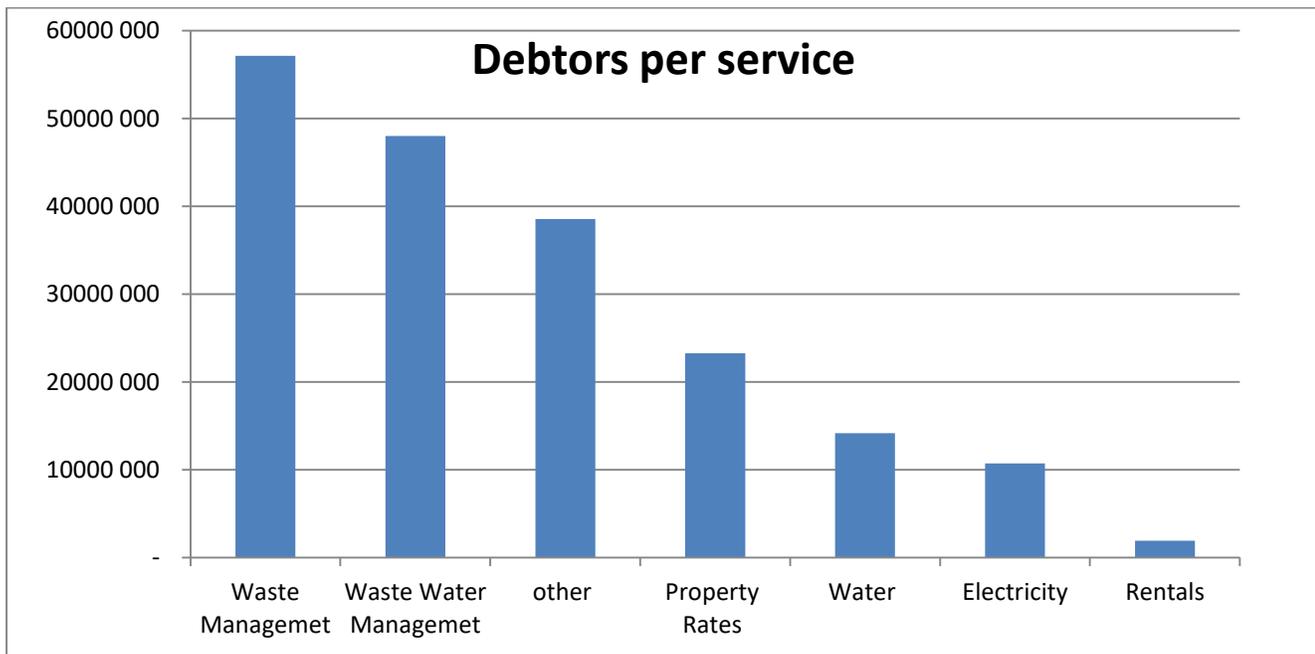
1.2.6 Creditors

Amount owed to Eskom amounted to R236 million, Department of water and Sanitation R70 million, Pension Funds R11 million, Auditor General R8 million, and Inzalo EMS R3 million as at 30 September 2023.



1.2.9 Debtors Analysis

The total outstanding debt at the end of Quarter 1 (July - September) 2023 amounted to R465 million



2 In-year budget statement tables

2.1.1 Table C1: Summary Budget statements

Choose name from list - Table C1 Monthly Budget Statement Summary - Q1 First Quarter

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	17,249	24,873	-	2,884	2,838	6,218	(3,380)	-54%	24,873
Service charges	49,335	70,617	-	3,369	10,969	17,654	(6,685)	-38%	70,617
Investment revenue	323	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	323	-	-	-	15	-	15	#DIV/0!	-
Other own revenue	117,602	127,807	-	3,760	42,206	31,952	10,254	32%	-
Total Revenue (excluding capital transfers and contributions)	184,832	223,297	-	10,013	56,028	55,824	203	0%	223,297
Employee costs	47,501	67,777	-	4,538	13,552	16,944	(3,393)	-	67,777
Remuneration of Councillors	5,207	5,345	-	629	1,506	1,336	170	-	5,345
Depreciation and amortisation	49,404	26,167	-	-	-	6,542	(6,542)	-	26,167
Interest	27,667	1,000	-	4,453	5,299	250	5,049	-	1,000
Inventory consumed and bulk purchases	38,703	40,740	-	8,861	13,001	10,185	2,816	-	40,740
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	135,747	34,785	-	4,063	25,321	8,696	16,625	191%	34,785
Total Expenditure	304,227	175,813	-	22,545	58,679	43,953	14,726	34%	175,813
Surplus/(Deficit)	(119,395)	47,483	-	(12,532)	(2,652)	11,871	(14,523)	-122%	47,483
Transfers and subsidies - capital (monetary)	106,516	90,708	-	40,014	81,756	22,677	###	261%	90,708
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(12,879)	138,191	-	27,483	79,104	34,548	44,556	129%	138,191
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(12,879)	138,191	-	27,483	79,104	34,548	44,556	129%	138,191
Capital expenditure & funds sources									
Capital expenditure	95,167	90,708	-	34,795	57,479	22,677	34,802	153%	90,708
Capital transfers recognised	95,167	90,708	-	34,795	57,479	22,677	34,802	153%	90,708
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	95,167	90,708	-	34,795	57,479	22,677	34,802	153%	90,708
Financial position									
Total current assets	83,214	125,214	-	-	(5,091)	-	-	-	125,214
Total non current assets	1,105,082	780,275	-	-	57,479	-	-	-	780,275
Total current liabilities	442,432	149,479	-	-	(26,439)	-	-	-	149,479
Total non current liabilities	43,279	19,337	-	-	-	-	-	-	19,337
Community wealth/Equity	709,419	867,761	-	-	78,826	-	-	-	867,761
Cash flows									
Net cash from (used) operating	179,023	119,435	-	(6,833)	55,722	37,479	(18,243)	-49%	119,435
Net cash from (used) investing	(119,892)	(90,708)	-	(40,014)	(66,038)	(22,640)	43,398	-192%	(90,708)
Net cash from (used) financing	-	-	-	4,538	13,552	-	(13,552)	#DIV/0!	-
Cash/cash equivalents at the month/year end	59,459	31,714	-	-	3,236	17,825	14,589	82%	28,728
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	18,068	7,821	8,755	8,915	8,487	8,389	8,242	396,689	465,366
Creditors Age Analysis									
Total Creditors	15,445	2,021	4,277	262	791	91	9,395	27,630	59,913

2.1.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure)

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		13,192	25,114	-	(102)	137	6,279	(6,142)	-98%	25,114
Service charges - Water		2,591	1,577	-	692	1,234	394	840	213%	1,577
Service charges - Waste Water Management		20,350	17,694	-	1,684	5,818	4,423	1,394	32%	17,694
Service charges - Waste management		13,202	26,232	-	1,094	3,780	6,558	(2,778)	-42%	26,232
Sale of Goods and Rendering of Services		844	872	-	24	119	218	(99)	-46%	872
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		28,983	35,577	-	3,143	9,285	8,894	391	4%	35,577
Interest from Current and Non Current Assets		323	-	-	-	15	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		61	117	-	1	31	29	1	5%	117
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		(7)	83	-	100	113	21	93	445%	83
Non-Exchange Revenue										
Property rates		17,249	24,873	-	2,884	2,838	6,218	(3,380)	-54%	24,873
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		21	50	-	-	-	12	(12)	-	50
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		74,507	79,978	-	-	31,486	19,995	11,491	-	79,978
Interest		13,515	11,129	-	492	1,173	2,782	(1,609)	-	11,129
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		184,832	223,297	-	10,013	56,028	55,824	203	0%	223,297
Expenditure By Type										
Employee related costs		47,501	67,777	-	4,538	13,552	16,944	(3,393)	-20%	67,777
Remuneration of councillors		5,207	5,345	-	629	1,506	1,336	170	13%	5,345
Bulk purchases - electricity		30,176	30,480	-	8,609	10,354	7,620	2,734	-	30,480
Inventory consumed		8,526	10,260	-	252	2,647	2,565	82	-	10,260
Debt impairment		56,871	-	-	-	-	-	-	-	-
Depreciation and amortisation		49,404	26,167	-	-	-	6,542	(6,542)	-100%	26,167
Interest		27,667	1,000	-	4,453	5,299	250	5,049	2020%	1,000
Contracted services		40,138	17,400	-	2,854	19,499	4,350	15,149	348%	17,400
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		19,849	6,517	-	-	-	1,629	(1,629)	-	6,517
Operational costs		18,889	10,868	-	1,210	5,822	2,717	3,105	114%	10,868
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		304,227	175,813	-	22,545	58,679	43,953	14,726	34%	175,813
Surplus/(Deficit)		(119,395)	47,483	-	(12,532)	(2,652)	11,871	(14,523)	(0)	47,483
Transfers and subsidies - capital (monetary allocations)		106,516	90,708	-	40,014	81,756	22,677	59,079	0	90,708
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(12,879)	138,191	-	27,483	79,104	34,548			138,191
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(12,879)	138,191	-	27,483	79,104	34,548			138,191
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(12,879)	138,191	-	27,483	79,104	34,548			138,191
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(12,879)	138,191	-	27,483	79,104	34,548			138,191

2.1.5 Table C5 Monthly budget statement – Capital Expenditure (Municipal Vote, standard classification and funding)

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q1 First Quarter

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 - Office of the Mayor		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Department Financial Services		-	-	-	-	-	-	-	-	-
Vote 4 - Department Corporate Services		(14,234)	-	-	-	-	-	-	-	-
Vote 5 - Department Community Services		911	-	-	-	-	-	-	-	-
Vote 6 - Department Infrastructure Services		35,620	29,698	-	-	2,266	7,424	(5,158)	-69%	29,698
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	22,298	29,698	-	-	2,266	7,424	(5,158)	-69%	29,698
Single Year expenditure appropriation	2									
Vote 1 - Office of the Mayor		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Department Financial Services		-	-	-	-	-	-	-	-	-
Vote 4 - Department Corporate Services		-	-	-	-	-	-	-	-	-
Vote 5 - Department Community Services		1,161	854	-	255	645	213	431	202%	854
Vote 6 - Department Infrastructure Services		71,708	60,156	-	34,541	54,568	15,039	39,528	263%	60,156
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	72,869	61,010	-	34,795	55,212	15,252	39,960	262%	61,010
Total Capital Expenditure		95,167	90,708	-	34,795	57,479	22,677	34,802	153%	90,708

Capital Expenditure - Functional Classification									
Governance and administration		(14,234)	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-
Finance and administration		(14,234)	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-
Community and public safety		2,072	854	-	255	645	213	431	202%
Community and social services		1,161	854	-	255	645	213	431	202%
Sport and recreation		911	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-
Economic and environmental services		10,075	10,156	-	-	1,385	2,539	(1,154)	-45%
Planning and development		-	-	-	-	-	-	-	-
Road transport		10,075	10,156	-	-	1,385	2,539	(1,154)	-45%
Environmental protection		-	-	-	-	-	-	-	-
Trading services		97,254	79,698	-	34,541	55,448	19,924	35,524	178%
Energy sources		-	1,960	-	-	-	490	(490)	-100%
Water management		80,694	54,666	-	34,541	53,182	13,667	39,516	289%
Waste water management		16,560	23,071	-	-	2,266	5,768	(3,502)	-61%
Waste management		-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	95,167	90,708	-	34,795	57,479	22,677	34,802	153%
Funded by:									
National Government		95,167	90,708	-	34,795	57,479	22,677	34,802	153%
Provincial Government		-	-	-	-	-	-	-	-
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		95,167	90,708	-	34,795	57,479	22,677	34,802	153%
Borrowing	6	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-
Total Capital Funding		95,167	90,708	-	34,795	57,479	22,677	34,802	153%

2.1.6 Tables C6 Monthly Budget Statement – Financial Position

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter

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		3,042	54,647	–	(37,199)	54,647
Trade and other receivables from exchange transactions		18,060	33,569	–	20,022	33,569
Receivables from non-exchange transactions		–	11,318	–	(351)	11,318
Current portion of non-current receivables		6	43	–	–	43
Inventory		158	311	–	–	311
VAT		60,992	25,326	–	12,441	25,326
Other current assets		956	–	–	(4)	–
Total current assets		83,214	125,214	–	(5,091)	125,214
Non current assets						
Investments		–	148	–	–	148
Investment property		36,063	3,109	–	–	3,109
Property, plant and equipment		1,064,408	774,192	–	57,479	774,192
Biological assets		4,412	2,784	–	–	2,784
Living and non-living resources		–	–	–	–	–
Heritage assets		37	42	–	–	42
Intangible assets		161	1	–	–	1
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		1,105,082	780,275	–	57,479	780,275
TOTAL ASSETS		1,188,296	905,489	–	52,387	905,489
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		538	638	–	(1)	638
Trade and other payables from exchange transactions		426,028	147,782	–	13,884	147,782
Trade and other payables from non-exchange transactions		8,664	573	–	(42,002)	573
Provision		–	486	–	–	486
VAT		7,202	–	–	1,681	–
Other current liabilities		–	–	–	–	–
Total current liabilities		442,432	149,479	–	(26,439)	149,479
Non current liabilities						
Financial liabilities		703	36	–	–	36
Provision		42,043	14,550	–	–	14,550
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		533	4,751	–	–	4,751
Total non current liabilities		43,279	19,337	–	–	19,337
TOTAL LIABILITIES		485,711	168,816	–	(26,439)	168,816
NET ASSETS	2	702,585	736,673	–	78,826	736,673
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		709,419	867,761	–	78,826	867,761
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	709,419	867,761	–	78,826	867,761

2.1.7 Table C7 Monthly budget statement Cash Flow

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter

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		(6,969)	21,986	-	602	4,094	5,496	(1,403)	-26%	21,986
Service charges		19,598	21,584	-	588	1,877	5,396	(3,519)	-65%	21,584
Other revenue		232	1,603	-	116	166	401	(234)	-58%	1,603
Transfers and Subsidies - Operational		74,505	79,978	-	-	32,591	19,995	12,596	63%	79,978
Transfers and Subsidies - Capital		113,251	90,708	-	-	36,517	22,677	13,840	61%	90,708
Interest		28,865	46,706	-	3,620	10,574	11,677	(1,102)	-9%	46,706
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(50,459)	(142,130)	-	(11,760)	(30,098)	(27,912)	2,185	-8%	(142,130)
Interest		-	(1,000)	-	-	-	(250)	(250)	100%	(1,000)
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		179,023	119,435	-	(6,833)	55,722	37,479	(18,243)	-49%	119,435
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	37	(37)	-100%	-
Payments										
Capital assets		(119,892)	(90,708)	-	(40,014)	(66,038)	(22,677)	43,361	-191%	(90,708)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(119,892)	(90,708)	-	(40,014)	(66,038)	(22,640)	43,398	-192%	(90,708)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	4,538	13,552	-	13,552	#DIV/0!	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	4,538	13,552	-	(13,552)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		59,130	28,728	-	(42,310)	3,236	14,839			28,728
Cash/cash equivalents at beginning:		328	2,986	-		-	2,986			-
Cash/cash equivalents at month/year end:		59,459	31,714	-		3,236	17,825			28,728

Explanatory notes on in year budget tables

Table C1 – This table gives a summary of the overall performance of Tokologo Local Municipality for the quarter ended September 2023 as well as a comparison of year to date actuals and year to date budget (July - September 2023) the following key aspects are included:

Financial Performance

Capital Expenditure and funding sources

Financial Position

Cash Flow

Creditors and Debtors analysis

Table C4- Cash flow Table C7 will not coincide with Table C4, because Table C4 is based on billed income. Revenue items that show a positive variance indicates that actual revenue year to date exceeds budgeted year to date, and where they show negative variances, it indicates that actual is less than budgeted on that specific revenue item.

Revenue

Electricity 98% negative variance: The municipality is collecting 98% more than what was budgeted for

Sanitation 32% positive variance: The year to date budget is 32% less than what has been actually billed to date

Refuse 42% negative variance: The year to date budget is 42% more than the year to date actual billing for refuse

Water 213% positive Variance: The year to date budget for water is less than the actual billing to date

Rental of facilities and equipment 46% negative Variance: The year to date budget for rental of facilities is more than the actual collection

Other revenue – positive variance 445%: The year to date budget for other revenue is less than the actual collection to date, hence the negative variance

Expenditure

Employee related costs- negative variance 20%: The year to date budget expenditure on employee related costs is more than the actual expenditure to date

Bulk electricity – positive variance of (36%): The year to date budget on bulk purchases is less than the actual expenditure

Contracted services- positive variance (348%): The municipality is spending more on contracted services, the year to date actual is more than the year to date budget

Other Expenditure – positive variance of 114%: The year to date actual expenditure to date is more than the year to date budget, hence the negative variance on other expenditure

Table C5- is a breakdown of the capital program in relation to capital expenditure by municipal vote (multi-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

Table C7 The budgeted cash flow statement is the first measurement in determining if municipality has enough cash and cash equivalent to fund its operations.

4 Supporting Documentation

4.1.1 SC3 Supporting Tables Debtors age analysis

Choose name from list - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter

Description	Budget Year 2023/24								
	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
R thousands									
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	1,618	589	471	525	464	464	658	28,683	33,472
Trade and Other Receivables from Exchange Transactions - Electricity	539	256	203	221	247	236	225	15,761	17,687
Receivables from Non-ex change Transactions - Property Rates	3,515	481	2,561	2,593	2,405	2,317	2,255	45,674	61,801
Receivables from Exchange Transactions - Waste Water Management	7,445	3,901	3,313	3,342	3,217	3,228	3,068	183,051	210,565
Receivables from Exchange Transactions - Waste Management	4,838	2,543	2,152	2,172	2,089	2,094	1,990	119,884	137,762
Receivables from Exchange Transactions - Property Rental Debtors	78	39	38	38	37	37	36	3,210	3,514
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-
Other	35	12	16	24	29	14	11	424	565
Total By Income Source	18,068	7,821	8,755	8,915	8,487	8,389	8,242	396,689	465,366
2022/23 - totals only	15832820	3813253	6175652	6111954	5844745	5668191	5578029	330537295	379,562
Debtors Age Analysis By Customer Group									
Organs of State	3,035	547	2,005	2,130	2,001	1,867	1,827	35,659	49,071
Commercial	891	339	459	445	449	522	424	12,556	16,086
Households	14,142	6,935	6,291	6,340	6,038	6,001	5,991	348,474	400,210
Other	-	-	-	-	-	-	-	-	-
Total By Customer Group	18,068	7,821	8,755	8,915	8,487	8,389	8,242	396,689	465,366

4.1.2 SC4 Supporting Tables Creditors Age Analysis

Choose name from list - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter										
Description	NT Code	Budget Year 2023/24								Total
		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	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	12,039	1,435	5,443	-	216,759	-	-	-	235,676
Bulk Water	0200	560	559	559	1,096	67,629	-	-	-	70,404
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	106	266	63	2,076	-	560	-	5,004	8,076
Other	0900	1,792	137	(34)	499	397	593	-	-	3,384
Total By Customer Type	1000	14,496	2,399	6,032	3,671	284,785	1,153	-	5,004	317,540

4.1.3 SC5 Supporting tables Investment portfolio

Choose name from list - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q1 First Quarter						
Investments by maturity Name of institution & investment ID	Type of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands						
Municipality						
62368885376	Business Money market	15	159	32,146	41,710	74,031
62290902678	Business Money market	10	91	8,578	13,124	21,802
74368883317	7 DAY NOTICE	46	-	-	-	46
74037601777	Fnb 32 Day Notice	78	2	-	-	79
74037661683	Fnb 32 Day Notice	196	4	-	0	200
71037990209	Fixed deposit	10	0	0	-	10
						-
Municipality sub-total		355		40,724	54,834	96,168

Mr Mpho Aaron Sehloho

Acting Municipal Manager

Municipal Managers Quality Certificate

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, Mpho Aaron Sehloho, the Acting Municipal Manager of TOKOLOGO LOCAL MUNICIPALITY (FS 182), hereby certify that the quarterly report on the implementation of the budget and financial state of affairs of the municipality for quarter ended September 2023 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the act.

Print name: MPHO AARON SEHLOHO

Signature: _____

Date: _____