

**QUARTERLY BUDGET STATEMENT FOR
SECOND QUARTER**

(OCTOBER 2021 – DECEMBER 2021)



2021/22 FINANCIAL YEAR

**THEMBISILE HANI
LOCAL MUNICIPALITY**



**MEMORANDUM
CORPORATE SERVICES**

TO : CHIEF FINANCIAL OFFICER
FROM : MUNICIPAL MANAGER
SUBJECT : IMPLEMENTATION OF COUNCIL RESOLUTIONS
DATE : 28/01/2022

At its Ordinary Council meeting held on the 27th January 2022, council resolved among others the following:

**TH-NDC 39/01/2022 QUARTERLY BUDGET STATEMENT SECOND QUARTER –
OCTOBER 2021 – DECEMBER 2021**

RESOLVED

THAT the quarterly budget statement for 01 July 2021 to 31 December 2021 for 2021/22 Financial Year as in terms of section 52(d) of the MFMA 56 2003 be noted

Hope that you find the above in order

.....
**ON NKOSI
MUNICIPAL MANAGER**

**TH-NDC 39/01/2022 QUARTERLY BUDGET STATEMENT SECOND QUARTER –
OCTOBER 2021 – DECEMBER 2021**

REPORT OF THE MUNICIPAL MANAGER

This report is served on a monthly basis to the Council as per the stipulations of the MFMA.

1. **STRATEGIC GOAL**
Sound Financial Management

2. **PRIORITY ISSUE**
Financial Management

3. **LEGISLATIVE CONTEXT**

In terms of section 52(d) of the Local Government: Municipal Finance Management Act 56 of 2003 the Mayor is required to provide the Council with a report regarding the implementation of the budget and the financial state of affairs of the municipality.

4. **PURPOSE OF THE REPORT**

The purpose of this report is to report on various financial indicators as required by the abovementioned legislation and regulations

5. **BACKGROUND**

This report is served on a monthly basis to the Council as per the stipulations of the MFMA.

6. **DISCUSSION**

6.1 Quarterly Budget Statement Summary for the Second Quarter – October – December 2021

The following are the various sources of revenue as per Table C1 Monthly Budget Statement Summary – Q2 as per line item

6.1.1 Accrual Basis Budgeting

Description	Budget	Adjustment	Actual for Jul – Sept 2021	Actual for Oct – Dec 2021	Actual for Jan – Mar 2022	Actual for Apr – June 2022	Year TD Actual	%	Reason(s) for the Variance
Property Rates	R 43.0 Million	R 0	R 14.2 Million	R 13.7 million	R 0	R 0	R 27.9 Million	64.88%	The year to date actual amount to 64.88 percent against the year to date budget.
Service Charges	R 125.5 Million	R 0	R 61.0 Million	R 61.0	R 0	R 0	R 122.0 Million	97.21%	The year to date actual amount to 97.21 percent against the year to date budget.
Investment Revenue	R 4.0 Million	R 0	R 1.8 Million	R 700 thousand	R 0	R 0	R 2.5 Million	62.50%	The year to date actual amount to 62.50 percent against the year to date budget.
Transfer and Subsidies	R 468.6 Million	R 0	R 190.9 Million	R 147.4 million	R 0	R 0	R 338.3 million	72.19%	The year to date actual amount received amount to 72.19 percent

Other Own Revenue	R 83.6 Million	R 0	R 38.2 Million	R 50.3 million	R 0	R 0	R 0	R 88.5 Million	105.86%	Attached hereto is the breakdown of the other own revenue as	against the year to date budget.
Total (Excluding Capital transfers and contribution	R 724.7 Million	R 0	R 356.4 Million	R 273.1 million	R 0	R 0	R 0	R 579.2 million	154.03%	The year to date actual amount to 154.03 percent against the year to date budget, which is more by 54.03 percent	
Transfers and Subsidies - Capital	R 179.7 Million	R 0 Million	R 56.1 Million	R 64.4 million	R 0	R 0	R 0	R 120.5 Million	67.06%	The year to date actual capital funds received amount to 67.06 percent against the year to date budget.	
Total	R 179.7 Million	R 0 Million	R 56. Million	R 64.4	R 0	R 0	R 0	R 120.5 Million	67.06%		

The total original revenue budget excluding capital amount to **R 724.7 million** and the and adjusted budget amount **R 0** quarterly billed actual collection amount to **R 273.1 million** against the year to date budget amount 154.03 percent.

The Transfers and Subsidies – Capital (Monetary allocations) budget amount to **R 179.7 million** and the quarterly actual recognised as revenue amount to **R 120.5 million** **excluding VAT against the year to date budget** which is 67.06 percent.

6.1.2 Cash Basis Budgeting

Item Description	Budget	Actual for 6 Months	Variance	Percentage	YTD Budget
Property Rates	R 16.0 million	R 3.3 million	R 12.7 million	20.63%	R 8.0 million
Water Services	R 2.1 million	R 1.6 million	R 500 thousand	77.94%	R 1.05 million
Investment Interest	R 4.0 million	R 2.5 million	R 1.5 million	62.50%	R 2.0 million
Other Revenue	R 47.5 million	R 54.8 million	(R 7.3) million	115.37%	R 23.8 million
Grant and Subsidies	R 466.6 million	R 338.3 million	R 124.3 million	73.47%	R 234.3 million
Total	R 538.2 million	R 406.4 million	R 131.8 million	75.50%	R 269.1 million
Capital transfers recog	R 179.7 million	R 120.5 million	R 59.2 million	67.06%	R 89.9 million

Total	R 717.9 million	R 526.9 million	R 191.0 million	73.40%	R 358.9 million
Property Rates					

The municipality budgeted an amount of R 16.0 million, the actual collection for six months amount to R 3.3 million which is 20.63 percent. This means that the budget will be adjusted from R 16.0 million to R 6.6 million which is -142.42 percent.

- Service Charges

The municipality under this source of revenue budgeted an amount of R 2.1 million, the actual collection for six months amount to R 1.5 million which is 73.07 percent. This means that the budget will be adjusted from R 2.1 to R 3.0 million which is 31.57 percent.

- Investment revenue

The municipality under this source of revenue budgeted an amount of R 4.0 million, the actual collection for six months amount to R 2.5 million which is 62.50 percent. This means that the budget will be adjusted from R 4. Million to R 5.0 million which is 20.0 percent.

- Other Revenue

The municipality under this source of revenue budgeted an amount of R 47.5 million, the actual collection for six months amount to R 54.8 million which is 115.37 percent.

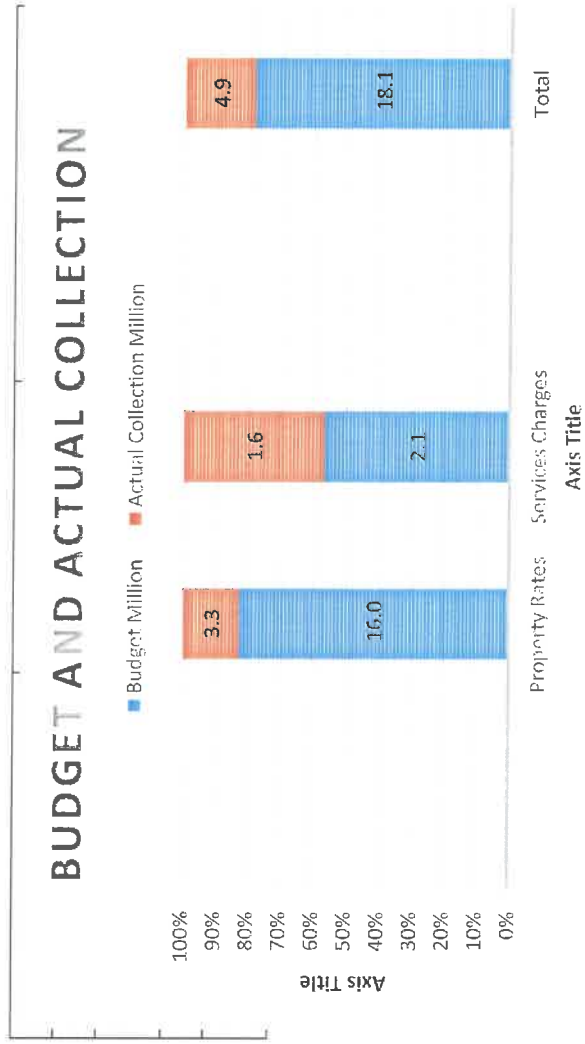
- Grant and Subsidies

The allocations of the municipality as per DoRA of 2021 will remain as follows:-

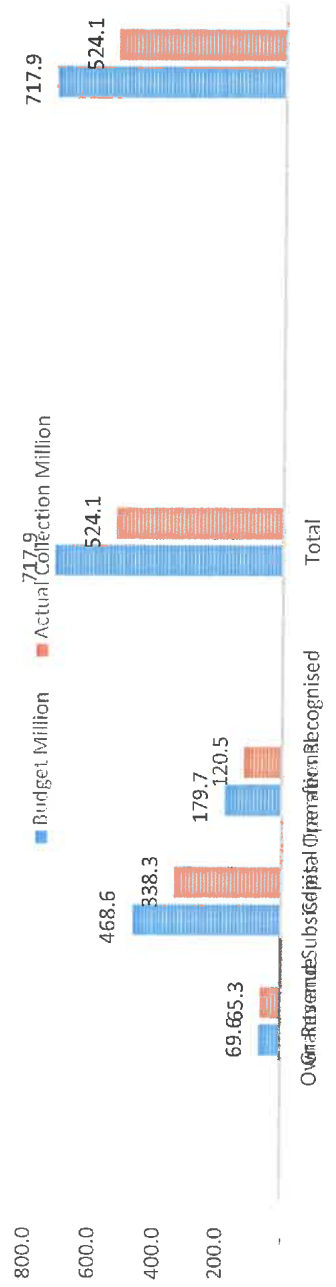
Grant and Subsidies	R 468.6 million
Capital Transfers recognised	R 179.7 million
Total	R 648.3 million

The total operational revenue budget amount to R 538.2 million and the actual collection for the past six months amount to R 406.4 million excluding capital budget of R 179.7 million and the actual collection of R 120.5 million

BUDGET AND ACTUAL COLLECTION



REVENUE PER MAIN SOURCE



Description	Budget	Actual Collection
	Million	Million
Own Revenue	69.6	65.3
Grants and Subsidies - Operational	468.6	338.3
Capital Transfers Recognised	179.7	120.5
Total	717.9	524.1

16

Comments

The total actual revenue for the mid – year from 1st July to 31 December 2021 amount to R 518 million against the mid – year budget of R 717.9 million which is 72.17 percent
The Statement of Financial Position and ratios as at 31 December 2021 is as follows:
Key Ratio's

Current Ratio

The ratio is mainly used to give an idea of the company's/ institution's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory, receivables). The higher the current ratio, the more capable the company/institution is of paying its obligations. A ratio under 1 suggests that the company/institution would be unable to pay off its obligations if they came due at that point. While this shows the company/institution is not in good financial health, it does not necessarily mean that it will go bankrupt - as there are many ways to access financing - but it is definitely not a good sign. The current ratio of the Municipality of 1.2 is an indication that the municipality has a healthy liquidity and is capable to pay its obligations as and when they become due.

Acid Test Ratio

A stringent indicator that determines whether a company/institution has enough short-term assets to cover its immediate liabilities without selling inventory. Companies/institutions with ratios of less than 1 cannot pay their current liabilities and should be looked at with extreme caution. The ratio of 1.2 indicates that the Municipality is able to pay their current liabilities. This means that the municipality is able to operate within its budgeted amount.

Solvency Ratio

One of many ratios used to measure a company's/institution's ability to meet long-term obligations. Acceptable solvency ratios will vary from industry to industry, but as a general rule of thumb, a solvency ratio of greater than 5 or 20% is considered financially healthy. The collection rate of the municipality on services charges amount to 4 percent and other services provided by the municipality amount to 72.17 percent, and this means that the municipality is relying on grants to fund its operational expenditure which is the Equitable Share Grant, FMG and EPWP. The funding of capital expenditure is funded by 96 percent from the three conditional grant which are WSIG and MIG and EEDMG.

Comment

The Thembisile Hani Local Municipality has managed to have positive ratio on current and Acid Test ratio and on Solvency Ratio the municipality have a negative ratio because of the non - payment of services which resulted to the poor revenue collection and this make the municipality to depend on grants from the National Government

6.1.3 Section 71 (b) Actual Borrowings

The municipality is currently not having any loan with any intermediaries for the past quarter

6.1.4 Section 71 (b) Actual Expenditure Operating Expenditure, per vote/function

Description	Budget	Adjustment	Actual for Jul – Sept 2020	Actual for Oct – Dec 2020	Actual for Jan – March 2021	Actual for April – June 2021	Year TD Budget	Percentage	Reason(s) for the Variance
Employee Costs	R 166.4 Million	R 0	R 37.4 Million	R 41.5 million	R 0	R 0	R 78.9	47.42%	The year to date expenditure amount to R 78.9 million which is 47.42% against the year to date budget, the reason for the less expenditure incurred is because of the vacant positions and also of the less percentage paid as annual increase.
Remuneration of Councillors	R 28.2 Million	R 0	R 6.2 Million	R 6.0 million	R 0	R 0	R 12.2 Million	43.26%	The year to date expenditure incurred amount to R 12.2 million which is 4.326 percent., the reason for less expenditure is because there was no increase given to councillors for the last two financial years.
Depreciation & Assets Impairment	R 84.9 Million	R 0	R 0	R 0	R 0	R 0	R 0	0%	The actual expenditure incurred under depreciation amount to 0 percent.

Finance Charges	R 1.3 Million	R -	R	R 0	R 0	R 0	R 0	R 0	R 0	R	R 0	-	The Finance charges paid amount to R 0
Inventory & Bulk Purchase	R 160.6 Million	R 0	R 25.1 Million	R 25.6	R 0	R 0	R 0	R 0	R 0	R 50.7 Million	R 0	31.57%	The year to actual expenditure incurred amount to 31.57 percent which is less by 68.43 percent compared to the year to budget, the reason for expenditure to be less than the year to date budget percentage is because invoices for December will be paid during January.
Transfer and Subsidies	R 250 Thousand	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	0%	The year to-date expenditure incurred amount to 0 percent.
Other Expenditure	R 481.5 Million	R Million	R 61.9 Million	R 80.5 million	R 0	R 0	R 0	R 0	R 0	R 142.4 Million	R 0	29.57%	The year to date actual expenditure incurred amount to 29.57 percent which is more by 70.43 percent compared to the year to date budget.
Total Operational Budget	R 923.2 Million	R 0	R 130.6 Million	R 153.6	R 0	R 0	R 0	R 0	R 0	R 284.2	R 0	30.78%	

The total original budget for operating expenditure excluding capital expenditure amount to **R 923.2 million** and the adjusted budget amount to **R 0**, and the quarterly actual amount to **R 284.2 million** which is 30.78 percent.

6.1.5 Top Ten Creditors – Operational

<i>Name of the service provider</i>	<i>Amount paid</i>
Rand Water	R 41.3 million
ESKOM	R 10.5 million
Gubis85 Solution (PTY) LTD	R 8.3 million
Maximum Profit Recovery 9PTY) LTD	R 8.0 million
Black Protector Security	R 7.4 million
Matupunuka ICT	R 3.8 million
City of Tshwane	R 3.8 million
I@ Consulting	R 3.1 million
PMH IT Management and Services	R 2.7 million
Auditor General of South Africa	R 2.5 million

6.5.1 Top Ten Creditors - Capital

<i>Name of the service provider</i>	<i>Amount paid</i>
<i>Khuluphala Trading</i>	<i>R 11.6 million</i>
<i>KJM Business Enterprise</i>	<i>R 10.2 million</i>
<i>Kgomotso Mokone Traders</i>	<i>R 5.7 million</i>
<i>Ermelo Truck and Tractors</i>	<i>5.4 million</i>
<i>Zembelani Transport and Project</i>	<i>R 4.9 million</i>
<i>Elezulu Construction</i>	<i>R 2.7 million</i>
<i>Jasino General Services (PTY) LTD</i>	<i>R 2.2 million</i>
<i>Ilanga Lighting Distribution</i>	<i>R 2.1 million</i>
<i>Batsenape Consulting Eng</i>	<i>R 1.1 million</i>

6.1.6 Section 71 (d) Actual Capital Expenditure of transfers and Grants, per vote

Description	Budget	Adjustment Budget	Actual for Jul – Sept 2021	Actual for Oct – Dec 2021	Actual for Jan – March 2022	Actual for Apr – June 2022	Year TD Actual	Percentage
Capital Transfers Recognised	R 179.7 Million	R 0 Million	R 56.4 Million	R 69.8 million	R 0	R 0	R 126.2 Million	70.23%
Internal Generated Fund	R 5.9 Million	R 0	R 0	R 2.9 million	R 0	R 0	R 2.9 Million	49.15%
Total Budget	R 185.5 Million	R 0	R 56.4 Million	R 72.7 million	R 0	R 0	R 129.1 Million	69.60%

The total original budget for capital expenditure amount R 185.5 million and the adjusted budget amount to R 0 million and the year to-date actual amount to R 129.1 million which is 69.60.

Description	Budget	Adjustment Budget	Actual for Jul – Sept 2021	Actual for Oct – Dec 2021	Actual for Jan – March 2022	Actual for Apr – June 2022	Year TD Actual	Percentage
Capital Transfers Recognised	R 179.7 Million	R 0 Million	R 56.4 Million	R 69.8 million	R 0	R 0	R 126.2 Million	70.23%
Internal Generated Fund	R 5.9 Million	R 0	R 0	R 2.9 million	R 0	R 0	R 2.9 Million	49.15%
Total Budget	R 185.5 Million	R 0	R 56.4 Million	R 72.7 million	R 0	R 0	R 129.1 Million	69.60%

The total original budget for capital expenditure amount R 185.5 million and the adjusted budget amount to R 0 million and the year to-date actual amount to R 129.1 million which is 69.60.

6.1.5 Section 71 (e) the amount of any allocations received

6.1.6.1 Section 71 Expenditure against the allocations received

The municipality is allocated the following grants as per the Division of Revenue Act of 2018, and the expenditure against the allocations received are as follows:-

	Original Budget	Adjustment Budget	Actual Received for July 2021 – December 2021	Actual Expenditure July 2021 – December 2021	Year to – date Budget percentage	Variance	Reason(s) for the Variance
MIG	R 130 Million	R 0 Million	R 98.1 Million	R 99.7 Million	101.63%	(R 1.6) million	The year to – date actual expenditure incurred under this grant is 82.76 percent against grant received
WSIG	R 51.0 Million	R 0 Million	R 27.6 Million	R 29.1 Million	105.43%	(R 1.5) Million	The year to – date actual expenditure incurred under this grant is 66.67 percent against grant received
FMG	R 1.7 Million	R 0 Million	R 1.7 Million	R 312 Thousand	18.35%	R 1.4 Million	The year to – date actual expenditure incurred under this grant is 9.24%
EPWP	R 2.1 Million	R 0 Thousand	R 1.5 million	R 2.0 million	133.33%	(R 500) thousand	The year to – date actual expenditure incurred under this grant is 100 percent against grant received
EEDSG	R 4.5 Million	R 0 Million	R 3.5 Million	R 1.1 Million	31.43%	R 2.4 million	The year to – date actual expenditure incurred under this grant is 0 percent against grant received

TOTAL	R 648.2 Million	R 0 Million	R 132.4 Million	R 134.0 Million	101.21%	(R 1.6) Million
--------------	------------------------	--------------------	------------------------	------------------------	----------------	------------------------

6.1.7 The municipality's debtor's book as at 31 December 2021 is as follows:-

The closing balance of outstanding debtors as at 31 December 2021 amount to R 1.5 billion which is divided as follows:-

MP315 Thembisile Hani - Supporting Table SC3 Monthly Budget/Statement - aged debtors - MD6 December

Description	NT Code	Budget Year 2021/22										Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total		
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	1200	5 392	12 521	6 255	6 242	5 174	19 426	76 233	355 916	519 164	493 965	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	0	0	0	
Receivables from Non-exchange Transactions - Property Rates	1400	4 635	7 636	3 920	3 635	3 677	3 605	16 604	163 930	240 166	223 974	
Receivables from Exchange Transactions - Waste Water Management	1500	115	213	110	105	100	245	1 595	5 164	8 630	8 169	
Receivables from Exchange Transactions - Waste Management	1600	3 019	5 959	2 351	2 543	2 665	3 978	45 770	456 178	228 613	217 734	
Interest on Anear Debtor Accounts	1810	5 652	11 135	5 452	5 377	5 264	5 041	23 139	211 705	272 634	250 556	
Other	1900	1 426	2 753	1 420	1 377	1 351	4 347	17 848	232 209	262 730	257 131	
Total By Income Source	2600	21 277	46 173	26 110	19 941	19 661	42 644	163 156	1 166 183	1 533 139	1 451 579	
Debtors Age Analysis By Customer Group												
Organs of State	2200	3 047	5 785	2 342	2 326	2 664	3 001	27 671	155 482	183 740	171 965	
Commercial	2300	2 642	2 566	1 306	1 277	1 161	4 506	13 273	40 711	66 964	60 928	
Households	2400	16 048	31 721	15 785	15 664	15 543	34 869	141 551	1 007 455	1 276 367	1 214 812	
Other	2500	41	79	74	74	74	248	654	2 824	4 068	3 673	
Total By Customer Group	2600	21 277	46 173	26 110	19 941	19 661	42 644	163 156	1 166 183	1 533 139	1 451 579	

Debtors Age Analysis by Customer Group:-

Organ of State	R 183.7 million
Commercial	R 67.0 million
Households	R 1.3 billion
Other	R 4.0 million

Total R 1.5 billion

✓ The collection rate of the municipality from 1st July 2021 to 31st December 2021 is amount to 4 percent against the billed amount

6.1.8 Aged Creditors

MP315 Thembitse Hani - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2021/22										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															-
Bulk Water	0200															-
PAYE deductions	0300															-
VAT (output less input)	0400															-
Pensions / Retirement deductions	0500															-
Loan repayments	0550															-
Trade Creditors	0700	7 098	8													7 098
Auditor General	0800															-
Other	0900															-
Total By Customer Type	4000	7 098	8													7 098

The trade creditors of the municipality as at 31st December 2021 amount R 7.1 million which are only outstanding for 30 days and R 8 thousand for 31 – 61 days-

6.1.9 Expenditure on Repairs and Maintenance by Asset Class

The municipality has budgeted an amount of R 18.7 million for repairs and maintenance of asset class and the year to date actual expenditure amount to R 9.4 Million which is 80.85 percent against the quarterly budget of R 50.27 million

6.1.10 Cash Flow Analysis from 1st July 2021 – 31 December 2021

Revenue

6.1.10.1. Cash Flow Analysis from 1st July 2021 – 31 December 2021

Revenue

Item Description	Budget	Actual for 6 Months	Variance	Percentage received
Transfers and Subsidies - Operational	R 468.6 million	R 338.3 million	R 130.3 million	72.19%
Own Revenue	R 69.6 million	R 65.3 million	R 4.3 million	93.82%
Total Operational Budget	R 538.2 million	R 403.6 million	R 134.6 million	74.99%
Transfers and Subsidies - Capital	R 179.7 million	R 120.5 million	R 59.2 million	67.06%
Total	R 717.9 million	R 524.1 million	R 193.8 million	73.%

6.1.10.2 Operational Expenditure

Item Description	Budget	Actual for 6 Months	Variance	Percentage received
Total Operational Expenditure	(R 538.2)million	(R 225.6) million	(R 312.6) million	54.89%
Total Cash in hand as at 31 December 2021		R 178.0 million	-	-
		R 130.3million	-	-

<i>Transfers and Subsidies - Operational to be transferred to the municipality to the during the Third Quarter</i>				
<i>Total Cash in Hand to be Spent from 1st January to 30 June 2022</i>		R 308.3 million	-	-
Surplus/ (Deficit) for the Year		(R 4.3) million		

RECOMMENDATION BY THE MUNICIPAL MANAGER

THAT the quarterly budget statement for 01 July 2021 to 31 December 2021 for 2021/22 Financial Year as in terms of section 52(d) of the MFMA 56 2003 be noted

THE EXECUTIVE MAYOR RESOLVED TO RECOMMEND

THAT the quarterly budget statement for 01 July 2021 to 31 December 2021 for 2021/22 Financial Year as in terms of section 52(d) of the MFMA 56 2003 be noted

SUPPORTING SCHEDULES

Municipal In-year reports & supporting tables

mSCOA Version 6.5

[Click for Instructions!](#)

[Accountability](#)

[Transparency](#)

[Information &
service delivery](#)



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Contact details:

Budget submission enquiries:
Elsabé Rossouw
National Treasury
Tel: (012) 315-5534
Electronic documents: lgdocuments@treasury.gov.za

Preparation Instructions

Municipality Name:

CFO Name:

Tel: Fax:

E-Mail:

Reporting period:

MTREF:

Budget Year:

Does this municipality have Entities?

If YES: Identify type of report:

Name Votes & Sub-Votes

Printing Instructions

Showing / Hiding Columns

Showing / Clearing Highlights

Importants documents which provide essential assistance

[MFMA Budget Circular 2011/12](#) [Click to view](#)

[MBRR Budget Formats Guide](#) [Click to view](#)

[Dummy Budget Guide](#) [Click to view](#)

[Funding Compliance Guide](#) [Click to view](#)

[MFMA Return Forms](#) [Click to view](#)

MP315 Thembisile Hani - Table C1 Monthly Budget Statement Summary - Q2 Second Quarter

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 2 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	54 024	42 972	–	13 657	27 890	21 486	6 404	30%	42 972
Service charges	106 175	125 466	–	60 981	121 983	62 733	59 250	94%	125 466
Investment revenue	6 237	4 000	–	722	2 531	2 000	531	27%	4 000
Transfers and subsidies	533 389	468 582	–	153 420	344 337	234 291	110 046	47%	468 582
Other own revenue	57 335	83 631	–	50 299	88 485	41 815	46 670	112%	83 631
Total Revenue (excluding capital transfers and contributions)	757 161	724 650	–	279 080	585 226	362 325	222 901	62%	724 650
Employee costs	149 602	166 375	–	(110)	37 486	83 188	(45 701)	-55%	166 375
Remuneration of Councillors	24 993	28 229	–	19	6 241	14 114	(7 873)	-56%	28 229
Depreciation & asset impairment	74 729	84 896	–	–	–	42 448	(42 448)	-100%	84 896
Finance charges	381	1 300	–	–	–	650	(650)	-100%	1 300
Inventory consumed and bulk purchases	172 668	160 647	–	25 592	50 727	80 324	(29 597)	-37%	160 647
Transfers and subsidies	968	250	–	–	–	125	(125)	-100%	250
Other expenditure	352 141	481 460	–	80 444	142 375	240 730	(98 355)	-41%	481 460
Total Expenditure	775 482	923 158	–	105 945	236 829	461 579	(224 750)	-49%	923 158
Surplus/(Deficit)	(18 321)	(198 507)	–	173 134	348 397	(99 254)	447 651	-451%	(198 507)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	165 603	179 663	–	56 404	56 404	89 832	(33 427)	-37%	179 663
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	44 531	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	191 813	(18 844)	–	229 539	404 801	(9 422)	414 223	-4396%	(18 844)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	191 813	(18 844)	–	229 539	404 801	(9 422)	414 223	-4396%	(18 844)
Capital expenditure & funds sources									
Capital expenditure	(115 179)	185 513	–	53 022	109 145	92 757	16 388	18%	185 513
Capital transfers recognised	(178 856)	179 663	–	49 908	106 031	89 832	16 199	18%	179 663
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	57 212	5 850	–	3 114	3 114	2 925	189	6%	5 850
Total sources of capital funds	(121 643)	185 513	–	53 022	109 145	92 757	16 388	18%	185 513
Financial position									
Total current assets	1 104 288	178 441	–	–	1 433 770	–	–	–	178 441
Total non current assets	2 282 841	2 249 397	–	–	2 391 986	–	–	–	2 249 397
Total current liabilities	1 023 088	43 147	–	–	1 056 777	–	–	–	43 147
Total non current liabilities	30 639	80 000	–	–	30 639	–	–	–	80 000
Community wealth/Equity	2 469 700	2 304 691	–	–	2 738 340	–	–	–	2 304 691
Cash flows									
Net cash from (used) operating	578 525	160 201	–	177 808	177 808	39 760	(138 048)	-347%	160 201
Net cash from (used) investing	(253 078)	(185 513)	–	(56 651)	(56 651)	(46 372)	10 279	-22%	(185 513)
Net cash from (used) financing	26	–	–	9	9	–	(9)	#DIV/0!	–
Cash/cash equivalents at the month/year end	716 165	83 688	–	–	258 968	102 388	(156 581)	-153%	112 490
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	21 277	40 173	20 110	19 941	19 661	42 644	183 150	1 186 183	1 533 139
Creditors Age Analysis									
Total Creditors	7 090	8	–	–	–	–	–	–	7 098

MP315 Thembisile Hani - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q2 Second Quarter

Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Quarter 2 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		626 109	508 314	-	200 242	428 470	254 157	174 314	69%	508 314
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		626 109	508 314	-	200 242	428 470	254 157	174 314	69%	508 314
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		82	72	-	25	46	36	10	28%	72
Community and social services		80	70	-	21	40	35	5	15%	70
Sport and recreation		2	2	-	4	5	1	5	563%	2
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		141 409	151 488	-	48 524	49 246	75 744	(26 498)	-35%	151 488
Planning and development		121 837	131 753	-	48 150	48 244	65 876	(17 633)	-27%	131 753
Road transport		19 571	19 735	-	374	1 002	9 867	(8 865)	-90%	19 735
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		199 555	244 440	-	86 692	163 836	122 220	41 616	34%	244 440
Energy sources		3 600	4 500	-	-	-	2 250	(2 250)	-100%	4 500
Water management		148 590	188 346	-	70 934	133 086	94 173	38 913	41%	188 346
Waste water management		2 139	2 300	-	667	1 313	1 150	163	14%	2 300
Waste management		45 227	49 294	-	15 091	29 437	24 647	4 790	19%	49 294
<i>Other</i>	4	140	-	-	-	32	-	32	#DIV/0!	-
Total Revenue - Functional	2	967 295	904 313	-	335 484	641 630	452 157	189 473	42%	904 313
Expenditure - Functional										
<i>Governance and administration</i>		423 527	571 422	-	24 911	63 959	285 711	(221 752)	-78%	571 422
Executive and council		44 967	51 394	-	4 842	13 863	25 697	(11 834)	-46%	51 394
Finance and administration		376 404	517 047	-	20 060	48 891	258 523	(209 632)	-81%	517 047
Internal audit		2 156	2 982	-	9	1 205	1 491	(286)	-19%	2 982
<i>Community and public safety</i>		13 877	15 677	-	411	3 868	7 838	(3 970)	-51%	15 677
Community and social services		7 736	9 449	-	414	2 028	4 725	(2 696)	-57%	9 449
Sport and recreation		6 141	6 227	-	(4)	1 840	3 114	(1 274)	-41%	6 227
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		81 404	88 402	-	10 416	28 908	44 201	(15 293)	-35%	88 402
Planning and development		22 045	20 431	-	519	4 818	10 215	(5 397)	-53%	20 431
Road transport		59 359	67 972	-	9 897	24 090	33 986	(9 896)	-29%	67 972
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		256 673	247 657	-	70 207	140 094	123 828	16 265	13%	247 657
Energy sources		21 716	21 492	-	3 359	9 332	10 746	(1 414)	-13%	21 492
Water management		216 920	194 903	-	65 832	125 551	97 452	28 096	29%	194 903
Waste water management		7 235	7 524	-	116	1 681	3 762	(2 081)	-55%	7 524
Waste management		10 803	23 738	-	900	3 529	11 869	(8 338)	-70%	23 738
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	775 482	923 158	-	105 945	236 829	461 579	(224 750)	-49%	923 158
Surplus/ (Deficit) for the year		191 813	(18 844)	-	229 539	404 801	(9 422)	414 223	-4396%	(18 844)

References

- Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
- Total Revenue by functional classification must reconcile to Total Operating Revenue shown in the Financial Performance Statement
- Total Expenditure by functional classification must reconcile to total operating expenditure shown in 'Financial Performance Statement'
- All amounts must be classified under a functional classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

MP315 Thembeile Hani - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter

Vote Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Quarter 2 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		54 024	42 972	-	13 657	27 890	21 486	6 404	30%	42 972
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		69 665	93 356	-	51 508	103 053	46 678	56 375	121%	93 356
Service charges - sanitation revenue		1 636	1 624	-	454	892	812	80	10%	1 624
Service charges - refuse revenue		34 873	30 487	-	9 019	18 038	15 243	2 795	18%	30 487
Rental of facilities and equipment		1 432	1 125	-	83	437	562	(126)	-22%	1 125
Interest earned - external investments		6 237	4 000	-	722	2 531	2 000	531	27%	4 000
Interest earned - outstanding debtors		36 421	61 390	-	16 827	32 973	30 695	2 278	7%	61 390
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		8 221	10 553	-	374	1 002	5 276	(4 274)	-81%	10 553
Licences and permits		141	176	-	21	66	88	(22)	-25%	176
Agency services		11 350	9 182	-	-	-	4 591	(4 591)	-100%	9 182
Transfers and subsidies		533 389	468 582	-	153 420	344 337	234 291	110 046	47%	468 582
Other revenue		14 527	1 205	-	32 993	54 007	602	53 405	8866%	1 205
Gains		(14 756)	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		757 161	724 650	-	279 080	585 226	362 325	222 901	62%	724 650
Expenditure By Type										
Employee related costs		149 602	166 375	-	(110)	37 486	83 188	(45 701)	-55%	166 375
Remuneration of councillors		24 993	28 229	-	19	6 241	14 114	(7 873)	-56%	28 229
Debt impairment		185 020	305 555	-	392	536	152 778	(152 242)	-100%	305 555
Depreciation & asset impairment		74 729	84 896	-	-	-	42 448	(42 448)	-100%	84 896
Finance charges		381	1 300	-	-	-	650	(650)	-100%	1 300
Bulk purchases - electricity		151 065	-	-	-	-	-	-	-	-
Inventory consumed		21 603	160 647	-	25 592	50 727	80 324	(29 597)	-37%	160 647
Contracted services		112 662	92 047	-	32 287	51 148	46 024	5 125	11%	92 047
Transfers and subsidies		968	250	-	-	-	125	(125)	-100%	250
Other expenditure		54 439	83 858	-	47 765	90 691	41 929	48 762	116%	83 858
Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		775 482	923 158	-	105 945	236 829	461 579	(224 750)	-49%	923 158
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (municipal / Provincial and District)		(18 321)	(198 507)	-	173 134	348 397	(99 254)	447 651	(0)	(198 507)
Transfers and subsidies - capital (monetary allocations) (municipal / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		165 603	179 663	-	56 404	56 404	89 832	(33 427)	(0)	179 663
Transfers and subsidies - capital (in-kind - all)		44 531	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		191 813	(18 844)	-	229 539	404 801	(9 422)			(18 844)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		191 813	(18 844)	-	229 539	404 801	(9 422)			(18 844)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		191 813	(18 844)	-	229 539	404 801	(9 422)			(18 844)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		191 813	(18 844)	-	229 539	404 801	(9 422)			(18 844)

References

1. Material variances to be explained on Table SC1

Total Revenue (excluding capital transfers and contributions) including capit	967 295	904 313		335 484	641 630	452 157				904 313
---	---------	---------	--	---------	---------	---------	--	--	--	---------

MP315 Thembisile Hani - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q2 Second Quarter

Description		NT Code	Budget Year: 2021/22											Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy	
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dye-1 Yr	Over 1Yr								
R thousands																		
Debtors Age Analysis By Income Source																		
	Trade and Other Receivables from Exchange Transactions - Water	1200	6 392	12 521	6 255	6 242	6 174	19 428	76 233	385 918	519 164	493 985						
	Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	0	0	0						
	Receivables from Non-exchange Transactions - Property Rates	1400	4 636	7 638	3 920	3 888	3 877	3 605	18 604	193 990	240 168	223 974						
	Receivables from Exchange Transactions - Waste Water Management	1500	118	213	110	105	100	245	1 555	6 184	8 630	8 189						
	Receivables from Exchange Transactions - Waste Management	1600	3 019	5 909	2 951	2 943	2 865	9 978	45 770	156 178	229 613	217 734						
	Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-						
	Interest on Arrear Debtor Accounts	1810	5 666	11 139	5 453	5 377	5 294	5 041	23 139	211 705	272 834	250 556						
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-						
	Other	1900	1 426	2 753	1 420	1 377	1 351	4 347	17 848	232 209	262 730	257 131					1 395	
	Total By Income Source	2000	21 277	40 173	20 110	19 941	19 661	42 644	183 150	1 186 183	1 533 139	1 451 579					1 395	
	2021/22 - totals only		21 277	40 173	20 110	19 941	19 661	42 644	183 150	1 186 183	1 533 139	1 451 579					1 395	
Debtors Age Analysis By Customer Group																		
	Origins of State	2200	3 047	5 786	2 942	2 926	2 884	3 001	27 671	135 483	183 740	171 965						44
	Commercial	2300	2 142	2 586	1 308	1 277	1 161	4 505	13 273	40 711	66 964	60 928						106
	Households	2400	16 048	31 721	15 786	15 664	15 543	34 889	141 551	1 007 165	1 278 367	1 214 812						1 240
	Other	2500	41	79	74	74	74	248	654	2 824	4 068	3 873						4
	Total By Customer Group	2600	21 277	40 173	20 110	19 941	19 661	42 644	183 150	1 186 183	1 533 139	1 451 579						1 395

MP315 Thembisile Hani - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q2 Second Quarter

R thousands	Description	NT Code	Budget Year 2021/22										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy	
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total					
	Debtors Age Analysis By Income Source															
	Trade and Other Receivables from Exchange Transactions - Water	1200	6 392	12 521	6 256	6 242	6 174	19 428	76 233	385 918	519 164	493 995				
	Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	0	0	0				
	Receivables from Non-exchange Transactions - Property Rates	1400	4 636	7 638	3 920	3 898	3 877	3 605	18 604	193 990	240 168	223 974				
	Receivables from Exchange Transactions - Waste Water Management	1500	118	213	110	105	100	245	1 555	6 184	8 630	8 189				
	Receivables from Exchange Transactions - Waste Management	1600	3 019	5 909	2 951	2 943	2 865	9 978	45 770	156 178	229 613	217 734				
	Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-				
	Interest on Arrear Debtor Accounts	1810	5 686	11 139	5 453	5 377	5 294	5 041	23 139	211 705	272 834	250 556				
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-				
	Other	1900	1 426	2 753	1 420	1 377	1 351	4 347	17 848	232 209	262 730	257 131			1 395	
	Total By Income Source	2000	21 277	40 173	20 110	19 941	19 661	42 644	183 150	1 186 183	1 533 139	1 451 579			1 395	
	2021/22 - totals only		21 277	40 173	20 110	19 941	19 661	42 644	183 150	1 186 183	1 533 139	1 451 579			1 395	
	Debtors Age Analysis By Customer Group															
	Organs of State	2200	3 047	5 786	2 942	2 926	2 884	3 001	27 671	135 483	183 740	171 965			44	
	Commercial	2300	2 142	2 586	1 308	1 277	1 161	4 506	13 273	40 711	66 964	60 928			106	
	Households	2400	16 048	31 721	15 786	15 664	15 543	34 889	141 551	1 007 165	1 278 367	1 214 812			1 240	
	Other	2500	41	79	74	74	74	248	654	2 824	4 068	3 873			4	
	Total By Customer Group	2600	21 277	40 173	20 110	19 941	19 661	42 644	183 150	1 186 183	1 533 139	1 451 579			1 395	

MP315 Thembisile Hani - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q2 Second Quarter

R thousands	Description	NT Code	Budget Year 2021/22										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				
	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	7 090											-
	Auditor General	0800												-
	Other	0900												-
	Total By Customer Type	1000	7 090	8	-	-	-	-	-	-	-	-	-	7 098