

**DR. KENNETH
KAUNDA**

DISTRICT MUNICIPALITY



**MFMA section 52(d), budget
implementation and performance
for the month /quarter ending 31st
December 2023**



EXPLORING PROSPERITY

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BUDGET AND TREASURY OFFICE

MFMA SECTION 52(d), BUDGET IMPLEMENTATION AND PERFORMANCE FOR THE MONTH/QUARTER ENDING 31ST DECEMBER 2023

PART 1- IN-YEAR REPORT

1. EXECUTIVE MAYOR'S REPORT

Section 52 of the Municipal Finance Management Act, No. 56 of 2003 (MFMA) requires the Mayor of the municipality to report the implementation and performance of the budget and the financial state of affairs of the municipality to the municipal Council within 30 days after the end of each quarter. The in-year report Schedule C provides a high-level analysis as at 31 December 2023 in the prescribed format. Material variances are referred to briefly in this report. Comprehensive explanations are included in the monthly financial management report.

The Accounting Officer with the assistance of the Chief Financial Officer consistently submit the Section 71 of the Municipal Finance Management Act as required. The Section 52 report will be used to assess the budgetary performance of the municipality for the second quarter of the 2023/2024 financial year. The report took in to consideration the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the Service Delivery and Budget Implementation Plan (SDBIP).

2. EXECUTIVE SUMMARY

Table 1

	Approved Budget	2nd Quarter (Oct - Dec)	Year TD Budget	Year TD Actual	Variance
Total Operating Revenue	- 230 697 430,00	- 73 959 708,24	- 115 348 692,00	- 164 768 628,63	- 49 419 936,63
Total Operating Expenditure	230 517 000,00	67 942 746,63	115 259 598,03	118 849 697,49	3 590 099,46
Surplus / (Deficit)	- 180 430,00		- 89 093,97		
Total Capital Expenditure	39 450 000,00	3 034 205,52	19 725 078,00	4 777 657,88	14 947 420,12

The total operating revenue budget is budgeted at **R230.6 Million**. The actual operating revenue realised for the second quarter (01 Oct to December 2023) amount to **R73.9 Million** and the year-to-date budget as at 31st December 2023 was estimated at **R115.3 Million**. The year-to-date actual operating revenue is more than the year-to-date budget by **R49.4 Million**.

The total operating expenditure budget is budgeted at **R230.5 Million**. The operating expenditure incurred in the second quarter (01 Oct to December 2023) amount to

R67.9 Million and the year-to-date budget as at 31st December 2023 was estimated at **R115.2 Million**. The year-to-date actual operating expenditure is more than the year-to-date budgeted expenditure by **R3.5 Million**.

The capital budget provided for 2023/2024 financial year amount to **R39.4 Million**. The total spending in the second quarter (01 Oct to December 2023) was standing at **R3 Million** and the year-to-date budget as at 31st December 2023 was estimated at **R19.7 Million**. The year-to-date actual capital spending is less than year-to-date budget by **R14.9 Million**.

For more detailed material variances please Refer to Page 18&19 of the report.

2.1. Statement of Financial Performance

2.1.1. Revenue by source

Table 2

NO	REVENUE BY SOURCE	Budget	Curr Mth Receipts	YTD Actual	Balance	% Rec
1	TS_O_M_NG_LOCAL GOV FIN MNG GRANT	- 1 000 000,00	-	-	- 1 000 000,00	-
2	TS_O_M_NRF_EQUITABLE SHARE	- 32 150 000,00	- 10 716 566,30	- 24 112 349,45	- 8 037 650,55	75,00
3	TS_O_M_NRF_FUEL LEVY	-181 398 000,00	- 60 465 433,70	-136 047 650,55	- 45 350 349,45	75,00
4	INTER: BANK ACCOUNTS	- 1 600 000,00	- 212 716,56	- 1 066 736,30	- 533 263,70	66,67
5	INTER: SHORT TERM INVEST & CALL ACCOUNTS	- 5 800 000,00	-	- 1 175 835,62	- 4 624 164,38	20,27
6	TS_O_M_DPAA_NDA_EDUC;TR&DEV SETA	- 2 880 000,00	-	- 1 849 680,66	- 1 030 319,34	64,22
7	COMMISSION: INSURANCE	-	-	- 69 822,47	69 822,47	-
8	SKILLS DEVELOPMENT LEVY REFUND	-	- 99 683,60	- 99 683,60	99 683,60	-
9	SALE OF: ASSET < CAP THRESH	- 150 000,00	-	-	- 150 000,00	-
10	SALE OF: PUBLICATION - TENDER DOCUMENTS	- 175 000,00	-	- 19 152,18	- 155 847,82	10,94
11	TS_O_M_NG_EPWP GRANT	- 2 306 000,00	-	-	- 2 306 000,00	-
12	TS_O_M_NG_RURAL ROAD ASSET MNG SYS GRANT	- 2 641 000,00	-	-	- 2 641 000,00	-
13	HEALTH CERTIFICATES	- 597 430,00	- 22 104,83	- 327 717,80	- 269 712,20	54,85
	TOTAL: INCOME	-230 697 430,00	- 71 516 504,99	-164 768 628,63	- 65 928 801,37	71,42

- The Municipality received **R71.5 Million** for the month of December 2023 which comprises of:
 - ❖ **R212 Thousand** for interest on Bank
 - ❖ **R22 Thousand** for health certificates (licence and permits)
 - ❖ **R10.7 Million** for the Second trench of Equitable share
 - ❖ **R60.4 Million** for the Second trench of RSC Replacement Grant
 - ❖ **R99 Thousand** for Skills Development Levy Refund
- To date, the Municipality received **R3.4 Million** on conditional grants, however it must be noted that the revenue for conditional grants will only be recognised once all conditions are met.
- The year-to-date revenue received as at 31st of December 2023 amount to **R164.7 Million** which is **71.42%** of the total annual budgeted revenue.

2.1.2. Operating Expenditure by type

Table 3(a): Expenditure per Line-Item

DISCRIPTION	Budget	Curr Mth Expend	YTD Actual	Balance	% Exp
EMPLOYEE RELATED COSTS	125 695 623,00	10 703 737,44	63 328 795,50	62 366 827,50	50,38
REMUNERATION OF COUNCILLORS	12 432 266,00	959 827,58	5 675 845,46	6 756 420,54	45,65
OUTSOURCED SERVICES	13 776 000,00	1 882 853,99	9 711 546,86	4 064 453,14	70,49
CONSULTANTS AND PROFESSIONAL SERVICES	12 352 956,00	2 407 279,51	6 524 240,91	5 828 715,09	52,81
CONTRACTORS	10 222 000,00	674 336,89	5 037 521,91	5 184 478,09	49,28
OPERATIONAL COSTS	33 874 446,00	6 302 665,31	19 857 719,44	14 016 726,56	58,62
INVENTORY	7 161 120,00	1 117 654,54	4 797 700,23	2 363 419,77	66,99
OPERATING LEASES	2 885 000,00	895 545,00	2 036 202,96	848 797,04	70,57
TRANSFER AND SUBSIDIES	5 130 000,00	114 008,94	1 880 124,22	3 249 875,78	36,64
DEPRECIATION AND AMORTISATION	6 792 589,00	-	-	6 792 589,00	-
TOTAL GAINS AND LOSSES	195 000,00	-	-	195 000,00	-
TOTAL OPERATING EXPENDITURE	230 517 000,00	25 057 909,20	118 849 697,49	111 667 302,51	51,56

The total operating expenditure for the month of December 2023 amount to **R25 Million**. The year-to-date operating expenditure is **R118.8 Million**, which is **51.56%** of the total approved expenditure.

Table 3(b): Expenditure per Department

DR KENNETH KAUNDA DISTRICT MUNICIPALITY MFMA SECTION 71/52(d) BUDGET IMPLEMENTATION AND PERFORMANCE FOR THE MONTH/QUARTER ENDING 31 DECEMBER 2023						
OPERATING EXPENDITURE						
	DEPARTMENT	Budget	Curr Mth Expend	YTD Actual	Balance	% Exp
1	EXECUTIVE MAYOR	7 361 261,00	379 443,19	1 436 315,04	5 924 945,96	19,51
2	SPEAKER	5 922 196,00	780 532,12	3 546 020,17	2 376 175,83	59,87
3	CHIEF WHIP	1 820 142,00	71 432,81	482 355,99	1 337 786,01	26,50
4	COUNCILLORS	9 666 197,00	753 961,42	4 433 587,28	5 232 609,72	45,86
5	MUNICIPAL MANAGER ADMINISTRATION	37 332 826,00	3 489 593,35	18 855 338,69	18 477 487,31	50,50
6	INTERNAL AUDIT	6 711 787,00	718 566,10	3 430 407,78	3 271 379,22	52,00
7	CORPORATE SERVICES	33 809 919,00	718 566,10	17 308 605,85	16 501 313,15	51,19
8	BUDGET AND TREASURY	30 015 464,00	5 426 628,10	16 791 074,64	13 224 389,36	55,94
9	LED & PLANNING	37 831 614,00	4 870 307,50	22 981 328,87	14 850 285,13	60,74
10	COMMUNITY SERVICES	59 850 594,00	5 029 750,78	29 524 663,18	30 325 930,82	49,33
	TOTAL	230 517 000,00	25 057 909,20	118 849 697,49	111 472 302,51	51,60
GAINS AND LOSSES						
	DEPARTMENT	Budget	Curr Mth Expend	YTD Actual	Balance	% Exp
1	MUNICIPAL MANAGER ADMINISTRATION	20 000,00	-	-	20 000,00	-
2	CORPORATE SERVICES	80 000,00	-	-	80 000,00	-
3	BUDGET AND TREASURY	80 000,00	-	-	80 000,00	-
4	LED & PLANNING	15 000,00	-	-	15 000,00	-
	TOTAL	195 000,00	-	-	195 000,00	-
	TOTAL OPERATING EXPENDITURE	230 517 000,00	25 057 909,20	118 849 697,49	111 667 302,51	51,56
CAPITAL EXPENDITURE						
	DEPARTMENT	Budget	Curr Mth Expend	YTD Actual	Balance	% Exp
1	EXECUTIVE MAYOR	30 000,00	-	-	30 000,00	-
2	SPEAKER	-	-	-	-	-
3	CHIEF WHIP	80 000,00	-	-	80 000,00	-
4	COUNCILLORS	-	-	-	-	-
5	MUNICIPAL MANAGER ADMINISTRATION	2 530 000,00	190 000,00	475 000,00	2 055 000,00	18,77
6	INTERNAL AUDIT	-	-	-	-	-
7	CORPORATE SERVICES	4 000 000,00	-	25 900,00	3 974 100,00	0,64
8	BUDGET AND TREASURY	2 560 000,00	1 655 652,17	1 655 652,17	904 347,83	64,67
9	LED & PLANNING	16 550 000,00	-	1 752 888,97	14 797 111,03	10,59
10	COMMUNITY SERVICES	13 700 000,00	-	868 216,74	12 831 783,26	6,33
	TOTAL	39 450 000,00	1 845 652,17	4 777 657,88	34 672 342,12	12,11

- The table above provides a broad expenditure per department and the spending to date thereof.

2.2 Cash Flow

The municipality started the financial year 2023/2024 with a positive cash balance amounting to **R96.7 Million**, and the year-to date cash and cash equivalents as at 31 December 2023 was standing at **R132.5 Million**. The cash and cash equivalents which comprises of:

Current investment	R70 Million
Bank balance	R62.5 Million

Refer to DC40 Dr Kenneth Kaunda – Table C7 Monthly Budget Statement – Cash flow – **M06 December 2023** (*Refer-Page 11 for more details*)

3. IN-YEAR BUDGET STATEMENT TABLES

DC40 Dr Kenneth Kaunda - Table C1 Monthly Budget Statement Summary – M06 December 2023

DC40 Dr Kenneth Kaunda - Table C1 Monthly Budget Statement Summary - M06 December

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	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	8 187	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	8 187	7 400	7 400	213	2 243	3 700	(1 457)	-39%	7 400
Other own revenue	209 002	223 297	223 297	71 304	162 526	111 649	50 877	46%	-
Total Revenue (excluding capital transfers and contributions)	225 377	230 697	230 697	71 517	164 769	115 349	49 420	43%	230 697
Employee costs	122 012	125 696	125 696	10 704	63 329	62 848	481	-	125 696
Remuneration of Councillors	11 600	12 432	12 432	960	5 676	6 216	(540)	-	12 432
Depreciation and amortisation	3 323	6 988	6 988	-	-	3 494	(3 494)	-	6 988
Interest	-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	5 261	5 961	7 161	1 118	4 798	3 381	1 417	-	7 161
Transfers and subsidies	9 888	6 830	5 130	114	1 860	2 990	(1 110)	-37%	5 130
Other expenditure	81 188	72 610	73 110	12 163	43 167	36 331	6 836	19%	73 110
Total Expenditure	233 271	230 517	230 517	25 058	118 850	115 260	3 590	3%	230 517
Surplus/(Deficit)	(7 894)	180	180	46 459	45 919	89	45 830	51440%	180
Transfers and subsidies - capital (monetary)	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(7 894)	180	180	46 459	45 919	89	45 830	51440%	180
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(7 894)	180	180	46 459	45 919	89	45 830	51440%	180
Capital expenditure & funds sources									
Capital expenditure	21 391	39 450	39 450	1 846	4 778	19 725	(14 947)	-76%	39 450
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	21 391	39 450	39 450	1 846	4 778	19 725	(14 947)	-76%	39 450
Total sources of capital funds	21 391	39 450	39 450	1 846	4 778	19 725	(14 947)	-76%	39 450
Financial position									
Total current assets	134 700	43 586	44 312	-	171 276	-	-	-	44 312
Total non current assets	34 539	65 231	65 231	-	39 317	-	-	-	65 231
Total current liabilities	73 864	30 766	30 766	-	70 474	-	-	-	30 766
Total non current liabilities	15 410	15 864	15 864	-	15 410	-	-	-	15 864
Community wealth/Equity	90 843	62 007	62 733	-	78 249	-	-	-	62 733
Cash flows									
Net cash from (used) operating	189 833	7 168	7 168	82 367	355 129	3 584	(351 545)	-9800%	7 168
Net cash from (used) Investing	(21 390)	(39 450)	(39 450)	(1 846)	(4 778)	(19 725)	(14 947)	76%	(39 450)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	271 880	36 065	36 065	-	447 134	52 207	(394 927)	-756%	64 501
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	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

DC40 Dr Kenneth Kaunda - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December 2023

DC40 Dr Kenneth Kaunda - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue - Functional										
<i>Governance and administration</i>		219 434	225 153	225 153	71 494	164 441	112 576	51 864	46%	225 153
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		219 434	225 153	225 153	71 494	164 441	112 576	51 864	46%	225 153
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		624	597	597	22	328	299	29	10%	597
Community and social services		624	597	597	22	328	299	29	10%	597
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		5 319	4 947	4 947	-	-	2 473	(2 473)	-100%	4 947
Planning and development		5 319	4 947	4 947	-	-	2 473	(2 473)	-100%	4 947
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	225 377	230 697	230 697	71 517	164 769	115 349	49 420	43%	230 697
Expenditure - Functional										
<i>Governance and administration</i>		136 372	132 820	132 820	15 158	66 344	66 411	(67)	0%	132 820
Executive and council		62 118	62 123	62 123	5 475	28 754	31 082	(2 308)	-7%	62 123
Finance and administration		68 062	63 985	63 985	8 964	34 100	31 993	2 107	7%	63 985
Internal audit		6 191	6 712	6 712	719	3 490	3 356	134	4%	6 712
<i>Community and public safety</i>		56 322	59 851	59 851	5 030	29 525	29 925	(401)	-1%	59 851
Community and social services		56 322	59 851	59 851	5 030	29 525	29 925	(401)	-1%	59 851
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		40 577	37 847	37 847	4 870	22 981	18 923	4 058	21%	37 847
Planning and development		40 577	37 847	37 847	4 870	22 981	18 923	4 058	21%	37 847
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	233 271	230 517	230 517	25 058	118 850	115 260	3 590	3%	230 517
Surplus/ (Deficit) for the year		(7 894)	180	180	46 459	45 919	89	45 830	51440%	180

DC40 Dr Kenneth Kaunda - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December 2023

DC40 Dr Kenneth Kaunda - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Executive Council		-	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		1 477	2 880	2 880	-	1 850	1 440	410	28,5%	2 880
Vote 04 - Financial Services		217 857	222 273	222 273	71 494	162 591	111 138	51 455	48,3%	222 273
Vote 05 - Led & Planning		5 319	4 947	4 947	-	-	2 473	(2 473)	-100,0%	4 947
Vote 06 - Community Services		624	597	597	22	328	299	29	9,7%	597
Vote 07 - -		-	-	-	-	-	-	-	-	-
Vote 08 - -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	225 377	230 697	230 697	71 517	164 789	115 349	49 420	42,8%	230 697
Expenditure by Vote	1									
Vote 01 - Executive Council		19 746	24 770	24 770	1 985	9 898	12 385	(2 487)	-20,1%	24 770
Vote 02 - Municipal Manager		48 563	44 065	44 065	4 208	22 346	22 033	313	1,4%	44 065
Vote 03 - Corporate Services		34 317	33 890	33 890	3 538	17 309	16 945	364	2,1%	33 890
Vote 04 - Financial Services		33 746	30 095	30 095	5 427	16 791	15 048	1 743	11,8%	30 095
Vote 05 - Led & Planning		40 577	37 847	37 847	4 870	22 981	18 923	4 058	21,4%	37 847
Vote 06 - Community Services		56 322	59 851	59 851	5 030	29 525	29 925	(401)	-1,3%	59 851
Vote 07 - -		-	-	-	-	-	-	-	-	-
Vote 08 - -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	233 271	230 517	230 517	25 058	118 850	115 260	3 590	3,1%	230 517
Surplus/ (Deficit) for the year	2	(7 894)	180	180	46 459	45 919	89	45 830	51439,9%	180

DC40 Dr Kenneth Kaunda - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December 2023

DC40 Dr Kenneth Kaunda - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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										
Service charges - Water										
Service charges - Waste Water Management										
Service charges - Waste management										
Sale of Goods and Rendering of Services		549	325	325	--	19	162	(143)	-88%	325
Agency services										
Interest										
Interest earned from Receivables										
Interest from Current and Non Current Assets		8 187	7 400	7 400	213	2 243	3 700	--		7 400
Dividends		1	--	--	--	--	--	--		--
Rent on Land										
Rental from Fixed Assets										
Licence and permits										
Operational Revenue		14	--	--	100	170	--	170	#DIV/0!	--
Non-Exchange Revenue										
Property rates										
Surcharges and Taxes										
Fines, penalties and forfeits		--	--	--	--	--	--	--		--
Licence and permits		561	597	597	22	328	299	29		597
Transfers and subsidies - Operational		38 030	40 977	40 977	71 182	162 010	20 498	141 521		40 977
Interest										
Fuel Levy		176 234	181 398	181 398	--	--	90 699	(90 699)	-100%	181 398
Operational Revenue										
Gains on disposal of Assets		--	--	--	--	--	--	--		--
Other Gains		1 800	--	--	--	--	--	--		--
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		225 377	230 697	230 697	71 517	164 769	115 349	49 420	43%	230 697
Expenditure By Type										
Employee related costs		122 012	125 696	125 696	10 704	63 329	62 848	481	1%	125 696
Remuneration of councillors		11 600	12 432	12 432	960	5 676	6 216	(540)	-9%	12 432
Bulk purchases - electricity										
Inventory consumed		5 261	5 961	7 161	1 118	4 798	3 381	1 417		7 161
Debt impairment		--	--	--	--	--	--	--		--
Depreciation and amortisation		3 323	6 988	6 988	--	--	3 494	(3 494)	-100%	6 988
Interest										
Contracted services		45 214	36 701	36 351	4 984	21 273	18 206	3 067	17%	36 351
Transfers and subsidies		9 888	6 830	5 130	114	1 880	2 990	(1 110)	-37%	5 130
Irrecoverable debts written off										
Operational costs		35 676	35 909	36 759	7 198	21 894	18 125	3 769	21%	36 759
Losses on Disposal of Assets		260	--	--	--	--	--	--		--
Other Losses		37	--	--	--	--	--	--		--
Total Expenditure		233 271	230 517	230 517	25 059	118 850	115 260	3 590	3%	230 517
Surplus/(Deficit)		(7 894)	180	180	46 459	45 919	89	45 830	1	180
Transfers and subsidies - capital (monetary allocations)		--	--	--	--	--	--	--		--
Transfers and subsidies - capital (in-kind)		--	--	--	--	--	--	--		--
Surplus/(Deficit) after capital transfers & contributions		(7 894)	180	180	46 459	45 919	89			180
Income Tax										
Surplus/(Deficit) after income tax		(7 894)	180	180	46 459	45 919	89			180
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		(7 894)	180	180	46 459	45 919	89			180
Share of Surplus/Deficit attributable to Associates										
Intercompany/Parent subsidiary transactions										
Surplus/(Deficit) for the year		(7 894)	180	180	46 459	45 919	89			180

DC40 Dr Kenneth Kaunda - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December 2023

DC40 Dr Kenneth Kaunda - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

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 01 - Executive Council		--	--	--	--	--	--	--	--	--
Vote 02 - Municipal Manager		--	--	--	--	--	--	--	--	--
Vote 03 - Corporate Services		--	--	--	--	--	--	--	--	--
Vote 04 - Financial Services		--	--	--	--	--	--	--	--	--
Vote 05 - Led & Planning		--	--	--	--	--	--	--	--	--
Vote 06 - Community Services		--	--	--	--	--	--	--	--	--
Vote 07 --		--	--	--	--	--	--	--	--	--
Vote 08 --		--	--	--	--	--	--	--	--	--
Vote 09 -		--	--	--	--	--	--	--	--	--
Vote 10 -		--	--	--	--	--	--	--	--	--
Vote 11 -		--	--	--	--	--	--	--	--	--
Vote 12 -		--	--	--	--	--	--	--	--	--
Vote 13 -		--	--	--	--	--	--	--	--	--
Vote 14 -		--	--	--	--	--	--	--	--	--
Vote 15 - Other		--	--	--	--	--	--	--	--	--
Total Capital Multi-year expenditure	4,7	--	--	--	--	--	--	--	--	--
Single Year expenditure appropriation	2									
Vote 01 - Executive Council		32	110	110	--	--	55	(55)	-100%	110
Vote 02 - Municipal Manager		172	2 630	2 630	190	475	1 265	(790)	-62%	2 630
Vote 03 - Corporate Services		4 031	4 000	4 000	--	--	2 000	(1 974)	-99%	4 000
Vote 04 - Financial Services		4 925	2 660	2 660	1 656	1 656	1 280	376	29%	2 660
Vote 05 - Led & Planning		10 465	16 550	16 550	--	1 753	8 275	(6 522)	-79%	16 550
Vote 06 - Community Services		1 765	13 700	13 700	--	868	6 850	(5 982)	-87%	13 700
Vote 07 --		--	--	--	--	--	--	--	--	--
Vote 08 --		--	--	--	--	--	--	--	--	--
Vote 09 -		--	--	--	--	--	--	--	--	--
Vote 10 -		--	--	--	--	--	--	--	--	--
Vote 11 -		--	--	--	--	--	--	--	--	--
Vote 12 -		--	--	--	--	--	--	--	--	--
Vote 13 -		--	--	--	--	--	--	--	--	--
Vote 14 -		--	--	--	--	--	--	--	--	--
Vote 15 - Other		--	--	--	--	--	--	--	--	--
Total Capital single-year expenditure	4	21 391	39 450	39 450	1 846	4 778	19 725	(14 947)	-76%	39 450
Total Capital Expenditure		21 391	39 450	39 450	1 846	4 778	19 725	(14 947)	-76%	39 450
Capital Expenditure - Functional Classification										
Governance and administration		9 169	9 200	9 200	1 846	2 157	4 600	(2 443)	-53%	9 200
Executive and council		35	2 640	2 640	190	475	1 320	(845)	-64%	2 640
Finance and administration		8 956	6 560	6 560	1 656	1 682	3 280	(1 598)	-49%	6 560
Internal audit		170	--	--	--	--	--	--	--	--
Community and public safety		1 765	13 700	13 700	--	868	6 850	(5 982)	-87%	13 700
Community and social services		1 765	13 700	13 700	--	868	6 850	(5 982)	-87%	13 700
Sport and recreation		--	--	--	--	--	--	--	--	--
Public safety		--	--	--	--	--	--	--	--	--
Housing		--	--	--	--	--	--	--	--	--
Health		--	--	--	--	--	--	--	--	--
Economic and environmental services		10 465	16 550	16 550	--	1 753	8 275	(6 522)	-79%	16 550
Planning and development		10 465	16 550	16 550	--	1 753	8 275	(6 522)	-79%	16 550
Road transport		--	--	--	--	--	--	--	--	--
Environmental protection		--	--	--	--	--	--	--	--	--
Trading services		--	--	--	--	--	--	--	--	--
Energy sources		--	--	--	--	--	--	--	--	--
Water management		--	--	--	--	--	--	--	--	--
Waste water management		--	--	--	--	--	--	--	--	--
Waste management		--	--	--	--	--	--	--	--	--
Other		--	--	--	--	--	--	--	--	--
Total Capital Expenditure - Functional Classification	3	21 391	39 450	39 450	1 846	4 778	19 725	(14 947)	-76%	39 450
Funded by:										
National Government		--	--	--	--	--	--	--	--	--
Provincial Government		--	--	--	--	--	--	--	--	--
District Municipality		--	--	--	--	--	--	--	--	--
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		--	--	--	--	--	--	--	--	--
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		--	--	--	--	--	--	--	--	--
Transfers recognised - capital		--	--	--	--	--	--	--	--	--
Borrowing		--	--	--	--	--	--	--	--	--
Internally generated funds		21 391	39 450	39 450	1 846	4 778	19 725	(14 947)	-76%	39 450
Total Capital Funding		21 391	39 450	39 450	1 846	4 778	19 725	(14 947)	-76%	39 450

DC40 Dr Kenneth Kaunda - Table C6 Monthly Budget Statement - Financial Position - M06 December 2023

DC40 Dr Kenneth Kaunda - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	Budget Year 2023/24				
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands						
ASSETS						
Current assets						
Cash and cash equivalents		96 782	35 871	36 597	132 546	36 597
Trade and other receivables from exchange transactions		957	6 365	6 365	659	6 365
Receivables from non-exchange transactions		-	-	-	-	-
Current portion of non-current receivables						
Inventory		-	-	-	-	-
VAT		33 874	-	-	34 984	-
Other current assets		3 086	1 350	1 350	3 086	1 350
Total current assets		134 700	43 586	44 312	171 276	44 312
Non current assets						
Investments		0	0	0	0	0
Investment property						
Property, plant and equipment		27 290	57 150	57 150	29 937	57 150
Biological assets						
Living and non-living resources						
Heritage assets						
Intangible assets		7 249	8 081	8 081	9 379	8 081
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions						
Other non-current assets		-	-	-	-	-
Total non current assets		34 539	65 231	65 231	39 317	65 231
TOTAL ASSETS		169 239	108 817	109 543	210 592	109 543
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		421	433	433	421	433
Consumer deposits		-	-	-	-	-
Trade and other payables from exchange transactions		23 739	11 188	11 188	16 923	11 188
Trade and other payables from non-exchange transactions		3	-	-	3 429	-
Provision		20 496	19 145	19 145	20 496	19 145
VAT		29 205	-	-	29 205	-
Other current liabilities		-	-	-	-	-
Total current liabilities		73 864	30 766	30 766	70 474	30 766
Non current liabilities						
Financial liabilities		-	-	-	-	-
Provision		15 410	15 864	15 864	15 410	15 864
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
Total non current liabilities		15 410	15 864	15 864	15 410	15 864
TOTAL LIABILITIES		89 274	46 630	46 630	85 884	46 630
NET ASSETS	1	79 965	62 187	62 913	124 708	62 913
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		89 255	62 007	62 733	76 661	62 733
Reserves and funds		1 588	-	-	1 588	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	90 843	62 007	62 733	78 249	62 733

DC40 Dr Kenneth Kaunda - Table C7 Monthly Budget Statement - Cash Flow – M06 December 2023

DC40 Dr Kenneth Kaunda - Table C7 Monthly Budget Statement - Cash Flow - M06 December										
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										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates										
Service charges										
Other revenue		508 300	185 200	185 200	22	455	30 867	(30 412)	-99%	185 200
Transfers and Subsidies - Operational		(114 976)	35 456	35 456	71 282	163 648	5 909	157 739	26669%	35 456
Transfers and Subsidies - Capital		2 632	2 641	2 641		1 849	440	1 409	320%	2 641
Interest		2 080	7 400	7 400	213	4 128	1 233	2 896	235%	7 400
Dividends		1	-	-		-	-	-		-
Payments										
Suppliers and employees		(208 205)	(216 699)	(216 699)	(24 944)	(116 970)	(36 117)	80 853	-224%	(216 699)
Interest										
Transfers and Subsidies		-	(6 830)	(6 830)	(114)	(1 880)	(1 138)	742	-65%	(6 830)
NET CASH FROM/(USED) OPERATING ACTIVITIES		189 833	7 168	7 168	46 459	51 231	1 195	(50 037)	-4188%	7 168
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE										
Decrease (increase) in non-current receivables										
Decrease (increase) in non-current investments										
Payments										
Capital assets		(21 391)	(39 450)	(39 450)	(1 846)	(4 778)	(6 575)	(1 797)	27%	(39 450)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(21 391)	(39 450)	(39 450)	(1 846)	(4 778)	(6 575)	(1 797)	27%	(39 450)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		168 442	(32 282)	(32 282)	44 613	46 454	(5 380)			(32 282)
Cash/cash equivalents at beginning:		96 762	68 348	68 348		86 092	68 346			86 092
Cash/cash equivalents at month/year end:		265 225	36 066	36 066		132 546	62 968			53 810

4. RESOLUTIONS

RECOMMENDED

1. That MFMA Section 52(d) budget implementation and performance report for the month / quarter ending 31st December 2023 is tabled before the municipal council for consideration.

PART 2 SUPPORTING DOCUMENTATION

A. DEBTORS AGE ANALYSIS

DC40 Dr Kenneth Kaunda - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December														
Description	NT Code	Budget Year 2023/24									Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts LLo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1 Yr					
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200													
Trade and Other Receivables from Exchange Transactions - Electricity	1300													
Receivables from Non-exchange Transactions - Property Rates	1400													
Receivables from Exchange Transactions - Waste Water Management	1500													
Receivables from Exchange Transactions - Waste Management	1600													
Receivables from Exchange Transactions - Property Rental Debtors	1700													
Interest on Arrear Debtor Accounts	1810													
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820													
Other	1900									287	287	287		
Total By Income Source	2000									287	287	287		
2022/23 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200													
Commercial	2300													
Households	2400													
Other	2500									287	287	287		
Total By Customer Group	2600									287	287	287		

The repayment of the DBSA loan by the Dr KKDM on behalf of the local municipalities was done during the 2016/17 and 2017/18 financial years. Both, Maquassi Hills Local Municipality and Ventersdorp Local Municipality were under financially distress and as a result, both municipalities requested the district to assist to service the loan.

The outstanding amount of **R286 852.21** is for the then Ventersdorp Local Municipality and JB Marks Local Municipality has agreed to repay the amount before the end of 2023 / 2024 financial year.

B. CREDITORS AGE ANALYSIS

DC40 Dr Kenneth Kaunda - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December													
Description	NT Code	Budget Year 2023/24									Total	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				
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									747		747	
Auditor General	0800												
Other	0900									566	3 367	3 933	
Total By Customer Type	1000									566	4 114	4 679	

The total Creditors balance as at 31 December 2023 was standing at **R4.6 Million**. The municipality has been able to pay creditors within 30 days of receiving the invoice. The amount reported comprises of:

- **R747 Thousand** for Trade payables. The management will present a report to the municipal council to consider writing-off the amount as it relates to old

opening balances which came through migration of the financial system from E-Venus to Solar.

- **R3.9 Million** consist of **R25 Thousand** for retention. The remaining **R3.9 Million** is for Workmen's compensation fund. The Budget and Treasury Office has managed to meet up with the officials from the commissioner and they are currently working on the compensation fund compliance Audit.

C. INVESTMENT PORTFOLIO

DC40 Dr Kenneth Kaunda - Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M06 December														
Investments by maturity Name of Institution & Investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantees (Yes/No)	Variable or Fixed Interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (t)	Investment Top Up	Closing Balance
		Yrs/Months												
Municipality														
Absa Bank-20811648		186 days	Fixed deposit	Yes	Fixed	10.11%	0	N/A	2024/01/15	60 000				60 000
Standard Bank		89 Days	Fixed deposit	Yes	Fixed	9.025%	0	N/A	2024/01/23	20 000				20 000
Municipality sub-total										70 000	-	-	-	70 000
Entities														
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									70 000	-	-	-	70 000

- The investment balance as at 31 December 2023 amounted to **R70 Million** and is invested with the below listed bank:

Absa Bank
Standard Bank

R50 Million
R20 Million

D. ALLOCATION OF GRANT RECEIPTS

DC40 Dr Kenneth Kaunda - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December 2023

DC40 Dr Kenneth Kaunda - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		212 788	219 495	219 495	71 182	163 586	21 179	142 407	672,4%	219 495
Equitable Share		30 480	32 150	32 150	10 717	24 112	13 396	10 717	80,0%	32 150
Expanded Public Works Programme Integrated Grant		2 379	2 306	2 306	--	577	961	(384)	-39,9%	2 306
Local Government Financial Management Grant		1 000	1 000	1 000	--	1 000	417	583	140,0%	1 000
Municipal Disaster Relief Grant		63	--	--	--	--	--	--	--	--
Rural Road Asset Management Systems Grant		2 632	2 641	2 641	--	1 849	1 100	749	68,0%	2 641
RSC Replacement Grant		176 234	181 398	181 398	60 465	136 048	6 305	130 743	2464,6%	181 398
Provincial Government:		--	--	--	--	--	--	--	--	--
Other transfers and grants (insert description)		--	--	--	--	--	--	--	--	--
District Municipality:		--	--	--	--	--	--	--	--	--
Specify (Add grant description)		--	--	--	--	--	--	--	--	--
Other grant providers:		1 477	2 880	2 880	--	1 850	1 440	410	28,5%	2 880
Education Training and Development Practices SETA		1 477	2 880	2 880	--	1 850	1 440	410	28,5%	2 880
Parent Municipality		--	--	--	--	--	--	--	--	--
Production		--	--	--	--	--	--	--	--	--
Total Operating Transfers and Grants	5	214 264	222 375	222 375	71 182	165 436	22 619	142 817	631,4%	222 375
Capital Transfers and Grants										
National Government:		--	--	--	--	--	--	--	--	--
Rural Road Asset Management Systems Grant		--	--	--	--	--	--	--	--	--
Provincial Government:		--	--	--	--	--	--	--	--	--
(insert description)		--	--	--	--	--	--	--	--	--
District Municipality:		--	--	--	--	--	--	--	--	--
(insert description)		--	--	--	--	--	--	--	--	--
Other grant providers:		--	--	--	--	--	--	--	--	--
(insert description)		--	--	--	--	--	--	--	--	--
Unspecified		--	--	--	--	--	--	--	--	--
Total Capital Transfers and Grants	5	--	--	--	--	--	--	--	--	--
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	214 264	222 375	222 375	71 182	165 436	22 619	142 817	631,4%	222 375

- During the month of December 2023, the Municipality received **R71.1 Million** which consist of the 2nd trench of:
 - ❖ Equitable Share (**R10.7 Million**)
 - ❖ RSC Replacement Grant (**R60.4 Million**)
- The total Conditional and Unconditional Grants received as at 31 December 2023 amount to **R165.4 Million** and the table below gives details of the allocations, amounts received, related dates of transfers and outstanding amounts to be received.

Table 4 (a)

Grant	Allocation as per DORA	Amount Received	Date of transfer (Receipts)	Outstanding
RSC Replacement Grant	R181 398 000.00	R75 582 216.85	July 2023	R45 350 349.45
		R60 465 433.70	December 2023	
Equitable Share	R32 150 000.00	R13 395 783.15	July 2023	R8 037 650.55
		R10 716 566.30	December 2023	
Rural Roads Assets Management Grant	R 2 641 000.00	R1 849 000.00	October 2023	R792 000.00

EPWP	R2 306 000.00	R577 000.00	August 2023	R1 729 000.00
FMG	R1 000 000.00	R1 000 000.00	August 2023	-
LGSETA	R2 880 000.00	R591 040.66	July 2023	R1 030 319.34
		R38 000.00	August 2023	
		R424 000.00	September 2023	
		R600 640.00	October 2023	
		R196 000.00	November 2023	
Total	R222 375 000.00	R165 435 680.66	-	R56 939 319.34

DC40 Dr Kenneth Kaunda - Supporting Table SC7 (1) Monthly Budget Statement - transfers and grant expenditure - M06 December 2023

DC40 Dr Kenneth Kaunda - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		17 187	14 329	14 329	2 279	14 318	7 165	7 153	99,8%	14 329
Equitable Share		10 748	8 002	8 002	1 937	11 414	4 001	7 413	185,3%	8 002
Expanded Public Works Programme Integrated Grant		2 379	2 306	2 306	201	1 186	1 153	33	2,8%	2 306
Local Government Financial Management Grant		1 428	1 380	1 380	140	652	690	(36)	-5,5%	1 380
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		2 632	2 641	2 641	-	1 066	1 321	(255)	-19,3%	2 641
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Other grant providers:		937	1 080	1 080	-	694	540	154	28,6%	1 080
Education Training and Development Practices SETA		937	1 080	1 080	-	694	540	154	28,6%	1 080
Local Government Water and Related Services SETA		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		18 124	15 409	15 409	2 279	15 012	7 705	7 308	94,8%	15 409
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		18 124	15 409	15 409	2 279	15 012	7 705	7 308	94,8%	15 409

E. Expenditure on Grants as at 31 December 2023

The Municipality has utilised the conditional grants and the table below gives expenditure to date on each grant.

Table 5

Grants	Total grant allocation from National Treasury	Current Month Expenditure	Expenditure as at 31 December 2023	Balance	%
EPWP	R2 306 000.00	R201 414.80	R1 185 514.56	R1 120 485.44	51.41
Financial Management Grant (FMG)	R1 000 000.00	R107 060.71	R435 283.48	R564 716.52	43.53
Rural roads Asset Management	R2 641 000.00	R352 960.00	R1 418 927.50	R1 575 032.50	53.73
TOTAL	R5 947 000.00	R661 435.51	R3 039 725.54	R3 568 709.97	51.11

F. COUNCILORS' AND EMPLOYEE BENEFITS

DC40 Dr Kenneth Kaunda - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December 2023

DC40 Dr Kenneth Kaunda - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	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		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		8 035	8 407	8 407	883	3 883	4 204	(321)	-8%	8 407
Pension and UIF Contributions		427	390	390	35	211	195	16	8%	390
Medical Aid Contributions		94	296	296	7	44	148	(104)	-70%	296
Motor Vehicle Allowance		1 231	1 570	1 570	109	661	785	(124)	-16%	1 570
Cellphone Allowance		727	869	869	64	385	435	(49)	-11%	869
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		1 094	900	900	82	492	450	42	9%	900
Sub Total - Councillors		11 600	12 432	12 432	960	5 676	6 216	(540)	-9%	12 432
% Increase	4		7,2%	7,2%						7,2%
Senior Managers of the Municipality										
Basic Salaries and Wages		4 584	5 625	5 625	332	2 252	2 813	(561)	-20%	5 625
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	72	72	-	-	38	(36)	-100%	72
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		257	169	169	-	246	85	161	190%	169
Motor Vehicle Allowance		1 307	1 350	1 350	80	596	675	(79)	-12%	1 350
Cellphone Allowance		149	152	152	11	71	76	(5)	-7%	152
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		182	-	-	8	56	-	56	#DIV/0!	-
Payments in lieu of leave		188	-	-	-	-	-	-	-	-
Acting and post related allowances		8	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		6 675	7 369	7 369	431	3 220	3 694	(454)	-13%	7 369
% Increase	4		10,4%	10,4%						10,4%
Other Municipal Staff										
Basic Salaries and Wages		70 915	73 702	73 702	6 198	36 985	36 851	135	0%	73 702
Pension and UIF Contributions		12 628	12 972	12 972	1 145	6 825	6 488	339	5%	12 972
Medical Aid Contributions		5 637	5 780	5 780	488	2 916	2 890	26	1%	5 780
Overtime		800	790	790	64	397	395	2	0%	790
Performance Bonus		5 189	6 574	6 574	268	3 044	3 287	(243)	-7%	6 574
Motor Vehicle Allowance		8 956	9 005	9 005	799	4 562	4 502	160	4%	9 005
Cellphone Allowance		1 145	1 182	1 182	100	587	591	(4)	-1%	1 182
Housing Allowances		551	658	658	50	297	329	(33)	-10%	658
Other benefits and allowances		1 269	1 423	1 423	98	619	712	(93)	-13%	1 423
Payments in lieu of leave		3 059	4 492	4 492	725	2 476	2 246	230	10%	4 492
Long service awards		992	430	430	160	269	215	54	25%	430
Post-retirement benefit obligations		3 227	350	350	35	210	175	35	20%	350
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-
Acting and post related allowance		958	969	969	145	822	484	337	70%	969
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		118 337	118 327	118 327	10 273	60 109	59 164	945	2%	118 327
% Increase	4		2,6%	2,6%						2,6%
Total Parent Municipality		133 612	138 128	138 128	11 684	69 005	69 064	(60)	0%	138 128
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Exocutive members Board		-	-	-	-	-	-	-	-	-
% Increase	4									
Senior Managers of Entities										
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% Increase	4									
Other Staff of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% Increase	4									
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		133 612	138 128	138 128	11 684	69 005	69 064	(60)	0%	138 128
% Increase	4		3,4%	3,4%						3,4%
TOTAL MANAGERS AND STAFF		122 012	125 696	125 696	10 704	63 329	62 848	481	1%	125 696

- ❖ The total employee related costs was budgeted at **R125.6 Million**. The total spending for the month of December amount to **R10.7 Million**, reflected as **50.38%** of the budgeted employee related costs.
- ❖ The budget for remuneration of councillors was budgeted at **R12.4 Million**. The spending for the month of December amount to **R959 Thousand**, which totals to **45.65%** of the budgeted remuneration of councillors.

G. CAPITAL PROGRAMME PERFORMANCE

Table 6

Capital Budget List

DR KENNETH KAUNDA DISTRICT MUNICIPALITY MFMA SECTION 71/52(d) BUDGET IMPLEMENTATION AND PERFORMANCE FOR THE MONTH/QUARTER ENDING 31 DECEMBER 2023							
CAPITAL EXPENDITURE LIST							
NO	DEPARTMENT	DESCRIPTION	Budget	Curr Mth Expend	YTD Actual	Balance	% Exp
1	EXECUTIVE MAYOR	OFFICE EQUIPMENT	30 000,00	-	-	30,00	-
2	CHIEF WHIP	OFFICE FURNITURE AND FITTINGS	30 000,00	-	-	30 000,00	-
3	CHIEF WHIP	OFFICE EQUIPMENT	50 000,00	-	-	50 000,00	-
4	MUNICIPAL MANAGER	PMS SYSTEM	700 000,00	190 000,00	475 000,00	225 000,00	67,85
5	MUNICIPAL MANAGER	OFFICE EQUIPMENT	430 000,00	-	-	430 000,00	-
6	MUNICIPAL MANAGER	COMMUNICATION EQUIPMENT	1 400 000,00	-	-	1 400 000,00	-
7	CORPORATE SERVICES	NETWORK UPGRADE	500 000,00	-	-	500 000,00	-
8	CORPORATE SERVICES	ELECTRONIC RECORD SYSTEM	300 000,00	-	-	300 000,00	-
9	CORPORATE SERVICES	FLEET	1 000 000,00	-	-	1 000 000,00	-
10	CORPORATE SERVICES	OFFICE FURNITURE AND FITTINGS	100 000,00	-	-	100 000,00	-
11	CORPORATE SERVICES	COMPUTER EQUIPMENT	500 000,00	-	-	500 000,00	-
12	CORPORATE SERVICES	TELEPHONE SYSTEM	800 000,00	-	-	800 000,00	-
13	CORPORATE SERVICES	SERVER ROOM UPGRADE	500 000,00	-	-	500 000,00	-
14	CORPORATE SERVICES	AIRCONDITIONING EQUIPMENT	300 000,00	-	25 900,00	274 100,00	8,63
15	BTO	FINANCIAL SYSTEM	2 500 000,00	1 653 652,17	1 653 652,17	844 347,83	66,22
16	BTO	OFFICE FURNITURE AND FITTINGS	60 000,00	-	-	60 000,00	-
17	LED & PLANNING	SPECIAL VEHICLE	2 000 000,00	-	-	2 000 000,00	-
18	LED & PLANNING	WATER PROJECTS	1 500 000,00	-	-	1 500 000,00	-
19	LED & PLANNING	SANITATION PROJECTS	2 000 000,00	-	1 553 452,96	446 547,64	77,67
20	LED & PLANNING	OFFICE FURNITURE AND FITTINGS	50 000,00	-	-	50 000,00	-
21	LED & PLANNING	CONSTRUCT MUNICIPAL OFFICES	10 000 000,00	-	-	10 000 000,00	-
22	LED & PLANNING	CULTURAL VILLAGE	1 000 000,00	-	-	1 000 000,00	-
23	COMMUNITY SERVICES	DISASTER MANAGEMENT SPATIAL SYSTEM	1 200 000,00	-	-	1 200 000,00	-
24	COMMUNITY SERVICES	WATER TANKER TRUCK & EQUIPMENT	2 200 000,00	-	-	2 200 000,00	-
25	COMMUNITY SERVICES	FLOODS AND DISASTER RESPONSE VEHICLE	1 500 000,00	-	199 436,61	1 300 563,39	13,29
26	COMMUNITY SERVICES	LANDFILL SITE DISTRICT	3 400 000,00	-	-	3 400 000,00	-
27	COMMUNITY SERVICES	TOOLS	250 000,00	-	-	250 000,00	-
28	COMMUNITY SERVICES	PEST CONTROL EQUIPMENT	100 000,00	-	-	100 000,00	-
29	COMMUNITY SERVICES	SAMPLING KITS	50 000,00	-	-	50 000,00	-
30	COMMUNITY SERVICES	BACK UP GENERATOR	1 000 000,00	-	-	1 000 000,00	-
31	COMMUNITY SERVICES	SOLID WASTE BULK CONTAINERS/WASTEBINS	1 000 000,00	-	-	1 000 000,00	-
32	COMMUNITY SERVICES	OFFICE FURNITURE AND FITTINGS	350 000,00	-	-	350 000,00	-
33	COMMUNITY SERVICES	CONSTRUCTION OF MHS OFFICE AT MHLM	2 500 000,00	-	868 216,74	1 631 783,26	34,72
34	COMMUNITY SERVICES	UPGRADE OF DISASTER CENTRE	150 000,00	-	-	150 000,00	-
	TOTAL		39 450 000,00	1 845 652,17	4 777 657,88	34 642 372,12	12,11

The approved total capital budget is **R39.4 Million**. The spending for the month of December 2023 is **R1.8 Million**.

H. MATERIAL VARIANCES

Revenue by Source

The material Variances are prepared based on- Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December 2023

Description	% Variance	Reasons for material variances.
Interest earned – external investments	88%	Interest earned-external investments is more as results of the large amount currently invested with various financial institutions.
Transfers and subsidies		<ul style="list-style-type: none"> • To date, the Municipality received the following grants which amount to R165.4 Million: <ul style="list-style-type: none"> ❖ Equitable Share (R24.1 Million) ❖ RSC Replacement Grant (R136 Million) ❖ LGSETA (R591 Thousand) ❖ LGSETA (R38 Thousand) ❖ LGSETA (R424 Thousand) ❖ LGSETA (R600 Thousand) ❖ LGSETA (R196 Thousand) ❖ EPWP(R577 Thousand) ❖ FMG(R1 Million) ❖ RRAMS (R1.8 Million)
Other revenue	2%	The municipality budgeted for sale of tender documents, sale of assets.
Licence and permits	10%	The actual revenue received to date is more than the projected revenue.

Expenditure by Type

Description	YTD% Variance	Reasons for material deviations
Employee related costs	1%	Considering the spread of the 13 th cheque into different months.
Remuneration of councillors	-9%	The Budget took into account the possible increase as well as the Upper limits.
Depreciation & asset impairment	-100%	In the current month, the department did not perform any depreciation. The depreciation is accounted for upon the finalisation of the asset verification process.
Other materials	42%	The variance on other materials results from purchases of material and supplies which are procured as and when needed.
Contracted services	17%	<p>The Contracted services is made of: Consultant and professional fees, Outsourced services and contractors. The low spending emanates from Water Sampling.</p> <p>More detailed info please see (page 20-21)</p>
Transfers and subsidies	-37%	<p>Budgeted transfers and subsidies comprises:</p> <ul style="list-style-type: none"> • LED Support grants R1 Million • EM Discretionary Bursaries R100 Thousand • Merit Bursaries: R1 Million • Social Relief: R600 Thousand • Transfer – Sports, Art & Culture R200 Thousand • Tourism: R100 Thousand • DRKKDM Agency R2 Million

Other expenditure	21%	The Other Expenditure is made of: Operational Costs and Operating Leases. The low spending emanates from expenditure on some of the Programmes and Campaigns.
Capital expenditure	-76%	<ul style="list-style-type: none"> The capital budget is budgeted at R39.4 Million. The bigger portion of the capital budget of R10 Million is meant for the construction of the new municipal building for office space Details of Capital budget list is on Table 6 (Page 17)

I. OTHER SUPPORTING DOCUMENTATION

DC40 Dr Kenneth Kaunda - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class –M06 December 2023

DC40 Dr Kenneth Kaunda - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

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	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure										
Roads Infrastructure										
Storm water Infrastructure										
Electrical Infrastructure										
Power Plants										
Water Supply Infrastructure										
Sanitation Infrastructure										
Solid Waste Infrastructure										
Rail Infrastructure										
Capital Spares										
Coastal Infrastructure										
Information and Communication Infrastructure										
Community Assets										
Community Facilities										
Sport and Recreation Facilities										
Heritage assets										
Investment properties										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets		756	500	500	48	95	250	155	62,2%	500
Operational Buildings		756	500	500	48	95	250	155	62,2%	500
Municipal Offices		756	500	500	48	95	250	155	62,2%	500
Housing										
Biological or Cultivated Assets										
Biological or Cultivated Assets										
Intangible Assets										
Services										
Licences and Rights										
Unspecified										
Computer Equipment		1 503	500	500			250	250	100,0%	500
Computer Equipment		1 503	500	500			250	250	100,0%	500
Furniture and Office Equipment		60	152	152	25	25	76	51	66,9%	152
Furniture and Office Equipment		60	152	152	25	25	76	51	66,9%	152
Machinery and Equipment		60	190	190		23	95	72	75,5%	190
Machinery and Equipment		60	190	190		23	95	72	75,5%	190
Transport Assets		659	80	80			40	40	100,0%	80
Transport Assets		659	80	80			40	40	100,0%	80
Land										
Land										
Zoo's, Marine and Non-biological Animals										
Zoo's, Marine and Non-biological Animals										
Living Resources										
Mature										
Policy and Protection										
Zoological plants and animals										
Immature										
Policy and Protection										
Zoological plants and animals										
Total Repairs and Maintenance Expenditure	1	3 038	1 422	1 422	73	143	711	560	79,9%	1 422

CONTRACTED SERVICES

The Contracted Services has three categories namely, Outsource Services, Consultants and Professional Services and Contractors.

i. Outsourced Services

Table 7

10002260000000000000	OUTSOURCE SERVICES	Budget	Curr Mth Expend	YTD Actual	Balance	% Exp
10002260300000000000	OS: BURIAL SERVICES	300 000,00	-	21 000,00	279 000,00	7,00
10002260600000000000	OS: CATERING SERVICES	2 640 000,00	376 435,00	845 569,20	1 794 430,80	32,02
10002260620000000000	OS: CLEANING SERVICES	70 000,00	-	200,00	69 800,00	0,28
10002260630000000000	OS: CLEARING & GRASS CUTTING SERVICES	300 000,00	-	70 000,00	230 000,00	23,33
10002262100000000000	OS: HYGIENE SERVICES	50 000,00	-	-	50 000,00	-
10002263620000000000	OS: MEDICAL SERVICES [HEALTH SERV & SUP]	50 000,00	-	-	50 000,00	-
10002264500000000000	OS: PERSONNEL & LABOUR	10 006 000,00	1 479 133,99	8 683 982,66	1 322 017,34	86,78
10002265720000000000	OS: TRANSPORT SERVICES	360 000,00	27 285,00	90 795,00	269 205,00	25,22
10002269900000000000	SUB TOTAL : OUTSOURCE SERVICES	13 776 000,00	1 882 853,99	9 711 546,86	4 064 453,14	70,49

- ❖ The total budget for Outsource Services is **R13.7 Million**. The current month expenditure amount to **R1.8 Million**. The spending to date is **R9.7 Million** which is **70.49%** of the total budgeted outsource services.
- ❖ The **R1.4 Million** on Personnel & labour is for **CBPs & EPWP** Stipends.

ii. Consultants and Professional Services

Table 8

10002270000000000000	CONSULTANTS AND PROFESSIONAL SERVICES	Budget	Curr Mth Expend	YTD Actual	Balance	% Exp
10002270310000000000	C&PS: B&A AIR POLLUTION	50 000,00	-	-	50 000,00	-
10002270320000000000	C&PS: B&A AUDIT COMMITTEE	800 000,00	253 820,93	741 776,71	58 223,29	92,72
10002270340000000000	C&PS: B&A BUSINESS & FIN MANAGEMENT	1 731 956,00	87 640,37	1 112 770,81	619 185,19	64,24
10002270370000000000	C&PS: B&A HUMAN RESOURCES	315 000,00	-	-	315 000,00	-
10002270400000000000	C&PS: B&A ORGANISATIONAL	20 000,00	-	5 254,00	14 746,00	26,27
10002270420000000000	C&PS: B&A RESEARCH & ADVISORY	800 000,00	184 701,00	184 701,00	615 299,00	23,08
10002270480000000000	C&PS: B&A ACTUARIES	45 000,00	-	-	45 000,00	-
10002272520000000000	C&PS: I&P ENGINEERING STRUCTURAL	1 500 000,00	1 400 781,04	1 400 781,04	99 218,96	93,38
10002272540000000000	C&PS: I&P GEOINFORMATIC SERVICES	50 000,00	-	-	50 000,00	-
10002272560000000000	C&PS: I&P LAND & QUANTITY SURVEYORS	2 641 000,00	-	1 065 967,50	1 575 032,50	40,36
10002273330000000000	C&PS: LAB SERV WATER	400 000,00	62 041,50	106 670,29	293 329,71	26,66
10002273340000000000	C&PS: LEGAL COST ADVICE & LITIGATION	4 000 000,00	418 294,67	1 906 319,56	2 093 680,44	47,65
10002279900000000000	SUB TOTAL : CONSULTANT AND PROF SERVICES	12 352 956,00	2 407 279,51	6 524 240,91	5 828 715,09	52,81

- ❖ The budget for consultant and professional services is **R12.3 Million**. The current month expenditure amount to **R2.4 Million**. The spending to date is **R6.5 Million** which is **52.81%** of the total budgeted Consultants and Professional services.
- ❖ The **R1.4 Million** on Engineering Structural was for Consultants used to assist with the funding application to ISA (Infrastructure South Africa) on municipal road network within the Dr Kenneth Kaunda District Municipality.

iii. Contractors

Table 9

		Budget	Curr Mth Expend	YTD Actual	Balance	% Exp.
10002280000000000000	CONTRACTORS					
10002280030000000000	CONTR: ARTISTS & PERFORMERS	500 000,00	13 900,00	150 545,00	349 455,00	30,10
10002280320000000000	CONTR: BUILDING CONTRACTORS	1 450 000,00	-	1 392 535,45	57 464,55	96,03
10002281210000000000	CONTR: EMPLOYEE WELLNESS	50 000,00	-	-	50 000,00	-
10002281510000000000	CONTR: FIRE PROTECTION	100 000,00	-	-	100 000,00	-
10002283610000000000	CONTR: MAINTENANCE OF EQUIPMENT	1 422 000,00	72 852,00	142 940,00	1 279 060,00	10,05
10002285400000000000	CONTR: SAFEGUARD & SECURITY	6 400 000,00	587 584,89	3 351 501,46	3 048 498,54	52,36
10002285420000000000	CONTR: SPORTS & RECREATION	300 000,00	-	-	300 000,00	-
10002289900000000000	SUB TOTAL : CONTRACTORS	10 222 000,00	674 336,89	5 037 521,91	5 184 478,09	49,28

- ❖ The budget for Contractors is **R10.2 Million**. The expenditure for December 2023 amount to **R674 Thousand**. The spending to date is **R5 Million** which is **49.28%** of the budgeted contractors.



10-01-2024