

ANNEXURE A

FINANCE: IN YEAR MONITORING AND REPORTING: 4th QUARTER: 2021/2022 FINANCIAL YEAR (MONTH ENDING 30 JUNE 2022) (6/1/1(2021/22))

1. QUARTER THREE SDBIP 30 JUNE 2022

MUNICIPAL FINANCIAL MAMAGEMENT AND VIABILITY			
Summary of third quarter SDBIP (April, May and June 2022) Municipal financial management and viability			
Key Performance Indicators	Third-quarter Performance Remarks	fourth-quarter Target	Actual achieved Third-quarter
Number of Household earning less than per month with access to free electricity	Not Achieved	4 250	2668
Approved 2022/23 Budget by 31 May 2022	Achieved	The budget to be approved by council on 31 March 2022	Final annual budget was approved by council on the 31 May 2022
Number of section 71 reports submitted to Treasury within 10 days after the end of the month of fourth quarter ending 30 June 2022	Achieved	3	3
Percentage Expenditure of Financial Management Grant by the end of fourth quarter ending 30 June 2022	Achieved	100%	100%
Percentage of Tenders processed within 90 days by second quarter ending 30 June 2022 (From closing date in the advert)	Not Achieved	95%	66%
Percentage of Electricity Distribution loss by fourth quarter ending 30 June 2022	Achieved	10%	8%
Percentage of Invoices Paid within 30 days of receipt by fourth quarter ending 30 June 2022	Achieved	100%	100%
INEP Percentage spending for the fourth quarter 30 June 2022	Achieved	100%	100%
MIG Percentage spending for fourth quarter 30 June 2022	Achieved	100%	100%
Percentage of Billed revenue collected per month during 2021/22(fourth quarter ending by 30 June 2022 Financial Year	Achieved	90%	91%

Figure 1: Summary of 4TH quarter ending 30 JUNE 2022 SDBIP

2. ANALYSIS OF SECOND QUARTER SDBIP KEY PERFORMANCE INDICATORS AND ACHIEVMENT ENDING 30 JUNE 2022.

1. Number of Household earning less than per month with access to free electricity

- The target was for the municipality to register 4250 by the end of third-quarter. The municipality did not achieve the target by registering only 2 668 by the end of third- quarter ending 30 June 2022.

2. Number of section 71 reports submitted to Treasury within 10 days after the end of the month by 30 June 2022

- The target was for the municipality to submit section 71 reports to provincial and national treasury within ten working days after the end of each month. The target was achieved and three section 71 reports were submitted to both national and provincial Treasury during fourth quarter.

3. Percentage Expenditure of Financial Management Grant by 30 June 2022.

- The target was to spend 100% of financial management grant by 30 June 2022 .The municipality achieved by this target by spending 100% of the budget.

4. Percentage of Tenders processed within 90 days by 30 June 2022 (From closing date in the advert). The target was not achieved 95% and only 66% was achieved. The reasons for the delay in processing of bids.

5. Percentage of Electricity Distribution loss by 30 June 2022.

The target for the municipality was to achieve less than 10% on distribution loss by 8% at the end of the quarter ending 30 June 2022.

6. Percentage of invoice processed within 30 days from the date of receipts of the invoice. The target was achieved and 100% of the invoice was paid within 30 days from the date of receipt of the invoice.

7. Percentage of Billed revenue collected per month during 2021/22 as at 30 June 2022 Financial Year.

- The target was for the municipality to achieved 90% collection rate at the end of the quarter ending 30 June 2022. The target was achieved by 91% .

**3. ANALYSIS FROM REPORTS FROM INCOME AND EXPENDITURE QUARTER THREE ENDING 30 JUNE 2022
SUMMARY: INCOME AND EXPENDITURE REPORT PERFORMANCE**

The actual operational income for Fourth quarter is R 160 355 million and actual to date is R 1 176 271 billion. The operational expenditure for the same period is R 262 067 million and actual to date is R 1 061 098 billion.

Summary overall budgeted and actual expenditure

Types of Budget	Approved Adjusted Budget	Budget Spent	Variance	% Spent
Operational	R 1 .144 billion	R 1 .061 billion	R 83 million	93%
Capital	R 352 million	R 295 million	R 57 million	84%
Total	R 1.496 billion	R 1 .356 billion	R 140 million	91%

Summary Budget and overall current expenditure

The municipality had approved adjusted operational expenditure budget of R 1 144 billion and adjusted capital budget of R 352 million and the amount of R 1.061 billion and R 295 million was spent respectively. This represents 93% spending on operational budget as well as 84% spending on capital budget. Overall spending is R 1 356 billion against the approved adjusted budget of R 1.496 billion and this represent 91% spending of the budget

4. APPROVED CONDITIONAL GRANT AS AT 30 JUNE 2022

Details of Grants allocated ,Grants Performance as at 30 JUNE 2022														
Description	Budget Year 2021/22													
	APPROVED ADJUSTED BUDGET	Grants Received YTD R '000	Actual Received Q1 R '000	Actual Received Q2 R '000	Q3 Received	Q4 Received	Actual Q1 Expenditure R'000	Actual Q2 Expenditure R'000	Actual Q3 Expenditure R'000	Q4 Expenditure R'000	Actual to date Expenditure R'000	% Spent on received	BUDGET VS ACTUAL %	Full Year Forecast
APPROVED CONDITIONAL GRANT														
Funded by:														
MIG	110,768	110,768	41,006	43,781	25,981		36,010	27,206	25,845	21,707	110,768	100%	100%	110,768
INEP	14,269	14,269	5,000	6,296	3,000		4,237		4,442	5,590	14,269	100%	100%	14,269
FMG	1,850	1,850	1,850				463	559	371	457	1,850	100%	100%	1,850
EPWP	2,280	2,280	568	1,136	576		570	570	570	570	2,280	100%	100%	2,280
DMG	26,000	26,000		26,000					18,574	7,426	26,000	100%	100%	26,000
Total Grants	155,167	155,167	48,424	77,213	29,557	-	41,280	28,336	49,802	35,750	155,167	100%	100%	155,167

1. Municipal infrastructure Grant (MIG)

The actual amount received for the fourth quarter is R 16 000 million and to date is R 110 678 million and actual expenditure for the fourth quarter is R 21 617 million and to date is R 89 061 million that represent 100% of expenditure against approved allocation of R 110 678 million.

2. Integrated National Electricity Programme (INEP)

The actual amount received for the fourth quarter is R 3 000 million and to date R 14 296 million and actual expenditure for the fourth quarter is R 5 617 million and to date R 8 679 million that represents 100% of expenditure against approved allocation of R 14 296 million.

3. Financial Management Grant (FMG)

The actual amount received for the fourth quarter is zero and to date is R 1 850 million and actual expenditure for the fourth quarter is R 457 thousands and to date is R 1 393 million that represents 100% against the approved allocation of R 1 850 million.

4. Expanded Public Works Programme (EPWP)

The actual amount received for the fourth quarter is R 572 thousands and to date is R 2 280 million and actual expenditure for the third quarter is R 570 thousands and to date is R 1 710 million that represent 75% against the approved allocation of R 2 280 million.

5. Disaster Management Grants (DMG)

The actual amount received for the fourth quarter is zero and to date is R 26 000 million and actual expenditure for the fourth quarter is R 7 426 million and to date is R 18 574 million that represent 100% against the approved allocation of R 26 000 million

5. SUMMARY OF PERFORMANCE OF INCOME AND EXPENDITURE 30 JUNE 2022

Description	Budget Year 2021/22											
	APPROVED ADJUSTED BUDGET	Fourth QUARTER Projections	Q1 Sept 2021	Q2 Dec 2021	Q3 March 2022	Q4 June 2022	Actual to date	YTD Variance	YTD variance	YTD Actual Budget/Budget %	Actual vs Projected%	Full Year Forecast
Revenue By Source												
Property rates	96,189,884.00	96,189,884.00	23,820,535.08	23,074,464.92	25,503,064.00	23,863,111.59	96,261,175.59	71,291.59	0%	100%	100%	96,189,884.00
Service charges - electricity revenue	457,348,320.00	457,348,320.00	83,240,910.33	123,648,089.67	76,971,200.00	105,379,938.70	389,240,138.70	-68,108,181.30	-17%	85%	85%	457,348,320.00
Service charges - refuse revenue	13,750,000.00	13,750,000.00	3,475,379.04	3,399,620.96	3,536,464.00	3,315,496.52	13,726,960.52	-23,039.48	0%	100%	100%	13,750,000.00
Rental of facilities and equipment	301,000.00	301,000.00	350,315.56	-240,452.56	76,095.00	-	185,958.00	-115,042.00	-62%	62%	62%	301,000.00
Interest earned - external investments	6,423,000.00	6,423,000.00	1,690,655.93	1,521,226.07	2,368,284.00	116,630.98	5,696,796.98	-726,203.02	-13%	89%	89%	6,423,000.00
Interest earned - outstanding debtors	29,141,000.00	29,141,000.00	7,524,228.26	10,027,140.74	5,486,216.00	7,654,145.63	30,691,730.63	1,550,730.63	5%	105%	105%	29,141,000.00
Fines, penalties and forfeits	4,241,000.00	4,241,000.00	446,352.90	164,647.10	2,669,117.00	112,995.90	3,393,112.90	-847,887.10	-25%	80%	80%	4,241,000.00
Licences and permits	3,836,000.00	3,836,000.00	815,804.24	1,102,183.76	1,222,936.00	912,469.19	4,053,393.19	217,393.19	5%	106%	106%	3,836,000.00
Transfers and subsidies	556,941,000.00	556,941,000.00	169,813,000.00	133,660,000.00	234,468,000.00	19,000,000.00	556,941,000.00	-	0%	100%	100%	556,941,000.00
Other revenue	131,154,000.00	131,154,000.00	4,176,329.46	11,385,802.50	60,518,923.27	-	76,081,055.23	-55,072,944.77	-72%	58%	58%	131,154,000.00
Total Revenue	1,299,325,204.00	1,299,325,204.00	295,353,510.80	307,742,723.16	412,820,299.27	160,354,788.51	1,176,271,321.74	-123,053,882.26	-9%	91%	91%	1,299,325,204.00

Description	Budget Year 2021/22											
	APPROVED ADJUSTED BUDGET	Fourth QUARTER Projections	Q1 Sept 2021	Q2 Dec 2021	Q3 March 22	Q4 June 2022	ACTUAL TO DATE	YTD Variance	YTD variance	YTD Actual Budget/Budget%	Actual vs Projected%	Full Year Forecast
Expenditure By Source												
Employee related costs	298,896,000.00	298,896,000.00	60,210,370.84	75,228,629.16	71,000,188.00	61,568,068.31	268,007,256.31	-30,888,743.69	-10%	90%	90%	298,896,000.00
Remuneration of councillors	28,311,000.00	28,311,000.00	6,548,486.17	6,637,513.83	7,309,070.00	7,575,735.20	28,070,805.20	-240,194.80	-1%	99%	99%	28,311,000.00
Debt impairment	57,933,944.00	57,933,944.00	22,411,110.74	20,747,889.26	4,000,000.00	9,700,135.73	56,859,135.73	-1,074,808.27	-2%	98%	98%	57,933,944.00
Depreciation & asset impairment	130,000,000.00	130,000,000.00	34,550,736.76	34,449,263.24	35,613,001.00	23,533,489.98	128,146,490.98	-1,853,509.02	-1%	99%	99%	130,000,000.00
Finance charges	9,263,428.00	9,263,428.00		2,458,908.00	5,431,992.00	1,225,678.00	9,116,578.00	-146,850.00	-2%	98%	98%	9,263,428.00
Bulk purchases	300,000,000.00	300,000,000.00	79,025,586.15	91,760,413.85	44,186,946.00	81,725,289.59	296,698,235.59	-3,301,764.41	-1%	99%	99%	300,000,000.00
Other materials	30,382,980.00	30,382,980.00	4,899,909.32	8,220,090.68	2,772,000.00	10,964,086.20	26,856,086.20	-3,526,893.80	-12%	88%	88%	30,382,980.00
Contracted services	207,512,000.00	207,512,000.00	40,172,161.68	33,506,838.32	64,387,532.00	41,867,893.26	179,934,425.26	-27,577,574.74	-13%	87%	87%	207,512,000.00
Other expenditure	82,035,611.00	82,035,611.00	15,655,462.94	25,074,537.06	2,772,000.00	23,907,094.07	67,409,094.07	-14,626,516.93	-18%	82%	82%	82,035,611.00
Total Expenditure	1,144,334,963.00	1,144,334,963.00	263,473,824.60	298,084,083.40	237,472,729.00	262,067,470.34	1,061,098,107.34	-83,236,855.66	-7%	93%	93%	1,144,334,963.00

6. SIGNIFICANT VARIANCES ANALYSIS OF REVENUE AND EXPENDITURE PERFORMANCE

1. Revenue

1.1.1 Electricity Revenue

- The actual billing for Electricity revenue for the Fourth quarter is R 105 379 million and to date is R 389 240 million compared with the R 457 348 million projections which results to under billing by 15%.

Expenditure

2.1.1 Debt Impairment

This is non- cash item and expenditure for the third quarter is R 9 700 million and to date is R56 859 million compared to the projection of R 57 933 million .Debtors were assessed for impairment during the fourth quarter.

2.1. 2 Depreciation & asset impairment

This is non- cash item and expenditure for the fourth quarter is R 23 533 million and to date is R 128 146 million compared to the projection of R 130 000 million .

7. CAPITAL EXPENDITURE

The Actual Capital expenditure for the fourth quarter 2022 is R 57 .750 million and to date is R 295,064 million which result to 84% spending against the approved adjusted budget of R 351 969 million.

DEPARTMENT	SOURCES	APPROVED ADJUSTED BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
Technical Services	INCOME & GRANT	314,348,123.76	270,192,748.89	44,155,374.87	86%
Community Services	INCOME	5,706,000.00	1,540 521.50	4 165 478.50	27%
Budget and Treasury	INCOME	21,136,276.37	14,101,610.00	7 034 666.37	67%
Corporate Services	INCOME	7,261,250.00	6 ,438,260.67	822 989.33	89%
Regional Offices	INCOME	3,517,025.00	2 791 063.40	725,961.54	79%
TOTAL		351,968,675.13	295,064,204.52	56,904,470.61	84%

i. Technical Services Department

The actual expenditure for the fourth quarter is R 54 180 million and to date is R 270 192 million compared with the projection of R 314 348 million which result to a negative variance of 15%. The expenditure incurred for the third half represent 86% of approved budget for 2021/2022 financial year.

The major spending of the department is mainly derived from MIG, INEP and own funding projects that are have progressed well.

ii. Department of Community services

The actual expenditure for the fourth quarter is R 170 thousands and to date is R 1 540 million compared with the projection of R 5 706 million which result to a negative variance of 73%. The expenditure incurred for the Third quarter half represent 27% of approved budget for 2021/22 financial year 2022.The department had carried forward R 3 300 million to next financial year since the procurement was not yet concluded at the end of year .

iii. Department of Budget and Treasury office

The actual expenditure for the fourth quarter is R 14 101 million compared with the projection of R 21 136 million which result to a negative variance of 33%.The expenditure incurred for the fourth quarter represent 67% of approved budget for 2021/22 financial year. The amount of R 7 million has been carried forward to next financial to procure Cranes and other vehicles for the services delivery.

iv. Department of Corporate Services

The actual expenditure for the fourth quarter is R 6 438 million compared with the projection of R 7 261 million. The under spending represent negative 11% of the fourth projection. The expenditure incurred for the as at fourth quarter represents 89% of approved budget for 2021/22 financial year.

v. Regional Offices

The actual expenditure for the fourth quarter is R 2 781 million compared with the projection of R 3 517 million which result to a negative variance of 21%.The expenditure incurred for the fourth quarter represent 79% of approved budget for 2021/22 financial year.

8. DEBTORS AGE ANALYSIS

The amount outstanding from debtors as at 30 JUNE 2022 is R 480,548,561.15

Aged Debtors - JUNE 2022									
Description	Budget Year 2021/22							Total	Total over 90 days
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	180 Days and Over			
R thousands									
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	39,314	16,272	15,101	15,854	14,638	31,824	133,003	62,316	
Receivables from Non-exchange Transactions - Property Rates	10,292	3,632	7,419	10,027	3,064	107,050	141,483	120,140	
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Management	1,463	507	488	462	454	23,142	26,517	24,059	
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	5,785	2,718	2,670	2,548	2,568	94,684	110,972	99,799	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	
Other	18,618	1,466	1,153	1,247	1,034	45,054	68,573	47,336	
Total By Income Source	75,472	24,595	26,832	30,139	21,757	301,755	480,549	353,651	
Debtors Age Analysis By Customer Group									
Organs of State	7,374	200	503	589	371	17,253	26,290	18,214	
Commercial	6,798	2,588	1,804	1,626	1,055	37,136	51,008	39,817	
Households	19,702	4,046	3,604	3,528	3,504	160,327	194,711	167,359	
Other	41,598	17,760	20,920	24,396	16,827	87,038	208,540	128,261	
Total By Customer Group	75,472	24,595	26,832	30,139	21,757	301,754	480,549	353,651	

MAKHADO LOCAL MUNICIPALITY

Debt Impairment Summary

Debt Impairment

Debtors Age Analysis By Customer Group

Customer Group	Total Debt per Customer Group	Impairment Provided	Net Debt per Customer Group
Organs of State	26 290	(21 655)	4 635
Commercial	112 298	(92 499)	19 799
Households	194 711	(160 381)	34 330
Other	147 250	(121 288)	25 962
Totals	480 549	(395 823)	84 726

MAKHADO LOCAL MUNICIPALITY

DEBT BREAKDOWN - JUNE 2022

Customer Group	Amount	Action Plan and Progress
ORGANS OF STATE	24 483 320.58	
Agriculture	650 984.71	The Department was engaged regarding the debt.
Arts	2 863.83	Normal Monthly debt
Education	481 026.94	The department has been engage the Debt has been reduced from R 3.8 million to R 481 026.94
Health	97 755.82	Normal Monthly debt
Public Works - National	5 413 487.24	The Department was engaged regarding the debt. Payments were made by the Department which reduced the debt from R21,679,708.54 to R 5 413 487.24 The remaining debt to be monitored to ensure that it is further reduced and eventually

		paid up.
Public Works - Provincial	62 687.02	Normal Monthly Account
Rural Development	13 476 443.59	The Department was engaged regarding the debt. Payments were made by the Department which reduced the debt from R 17 .6 million to R 13 897 431.07 The remaining debt to be monitored to ensure that it is further reduced and eventually paid up.
DWARF	884 981.79	The Department was engaged regarding the debt.
SASSA	56 811.90	Normal debt
Vhembe District Municipality	3 356 277.74	The District was engaged regarding the debt and we are expecting payment.
COMMERCIAL	112 297 651.10	
Business	112 297 651.10	Cut-offs are been executed and customers are making arrangement on how settle outstanding debts will servicing current consumption an Appointed of debt collectors will also
Residential Properties	194 710 759.78	
Waterval	62 537 756.35	Campaigns are necessary to educate the public about payment of their accounts. Appointment of debt collectors could also assist with collection
Dzanani	15 378 815.30	Campaigns are necessary to educate the public about payment of their accounts. Appointment of debt collectors could also assist with collection
Vleifontein	32 007 572.52	Campaigns are necessary to educate the public about payment of their accounts. Appointment of debt collectors could also assist with collection
Tshikota	8 655 782.98	Cut-offs are been executed and customers are making arrangement on how settle outstanding debts will servicing current consumption an Appointed of debt

		collectors will also assist with collection.
MAKHADO (LOUIS TRICHARDT) 76 130 832.62		
Eltivillas	823,128.23	Cut-offs has been executed and customers are making arrangement on how settle outstanding debts will servicing current consumption an Appointed of debt collectors could also assist with collection
Eltivillas :00	7,263,867.79	
Louis Trichardt – Ext 1	238,912.09	
Louis Trichardt – Ext 2	1,278,357.70	
Louis Trichardt – Ext 6	10,549.48	
Louis Trichardt – Ext 7	360,876.17	
Louis Trichardt – Ext 8	120,908.37	
Louis Trichardt – Ext 9	382,529.11	
Louis Trichardt – Ext 11	394.76	
Louis Trichardt – Industrial Area plots	1,393,721.68	
Louis Trichardt – CBD (Business and industrial)	64,135,855.07	
OTHER 149 056 829.69		
Agricultural	109 688 724.70	Cut-offs are been executed for the accounts in arrear and Data Cleansing to obtain addresses for the farms. Appointment of debt collectors could also assist with collection
Other Government Accounts	1 807 012.50	Cut-offs are been executed for the accounts in arrear and Data Cleansing to obtain addresses for the farms. Appointment of debt collectors could also assist with collection
Churches	627 033.48	Cut-offs will be executed for the accounts in arrear
PSP (Public Service Properties)	4 883 395.13	Cut-offs will be executed for the accounts in arrear
PSI (Public Service Infrastructure)	685 129.44	Cut-offs will be executed for the accounts in arrear
PBO (Public Benefit	(5 048.11)	Payment in advance

Organisation)		
SOP (State Owned Properties)	31 370 582.55	Cut-offs will be executed for the accounts in arrear
GRAND - TOTAL	480 548 561.15	

Summary of Debt Impairment Narration

Allowance for debt impairment for the Month of June 2022 equals R395,8million.

The Total Consumer Debtors as at the 30st of June 2022 equals R480,6 million.

The Net Debt Collectible equals R84,7 million.

COLLECTION REPORT – JUNE 2022

- Vhembe District Municipality still owes **R36m** as at the 30 June 2022
- The collection rate for the month of June 2022 stands at **99%**.
- The overall collection rate for the fourth quarter equals **91%**.
- The non-existent of electricity in R293 Towns such as Dzanani, Waterval, Vleifontein, excluding Tshikota still exists as a challenge towards collection.
- The municipality has appointed service providers for debtor collectors who will assist in collecting where the municipality does not provide electricity

THE ELECTRICITY DISTRIBUTION LOSSES REPORT – JUNE 2022

- The electricity distribution loss for the month of June 2022 stands at **6%**.
- The overall distribution loss for the fourth quarter equals **8%**.

CHALLENGES THAT IMPACT ON COLLECTION

- The non-existent of electricity in R293 Towns such as Dzanani, Waterval, Vleifontein, excluding Tshikota.
- Illegal connections
- Government entities who are not paying the Municipality

STRATEGIES TO IMPROVE COLLECTION

- The municipality has embarked on a campaign to physically check meters that are not buying or buying electricity that is unreasonably too low because they raise a suspicion of illegal connection. This exercise can be executed with the assistance of Technical Department.

- All accounts with meters inside the yards will be identified and a request sent to Technical Department to have those meters removed and allocated to a point where they can be accessible.
- Credit Control is currently being implemented to Government and business without compromise.
- Continue in Installing of prepaid meter to remaining households

COLLECTION REPORT FOR THE FOURTH QUARTER OF 2021/ 2022

MONTHS	COLLECTION RATE
APRIL – 2022	85%
MAY – 2022	89%
JUNE - 2022	99%
Total	91%

SCM PROCESS

9. COMPETITIVE BIDDING PROCESSES ACTIVITY

ACTIVITY	Bids Advertised	Evaluated	Adjudicated	Awarded	BBB-EE	Re- Advertised	Cancelled
Balance B/F	12	-	-	-	-	-	-
1st Quarter	15	24	24	24			
2nd Quarter	39	15	15	15			
3rd	19	20	20	20	-	-	
4th Quarter	05	15	15	15		05	05
Total to Date	90	74	74	74		05	05
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All requests for adverts were processed. As at 30 June 2022, the following 6 bids were not awarded:

NO	BID NO	DESCRIPTION	CLOSING DATE	COMMENTS
01	20/2022	Supply, delivery and Installation of 3M book detector security system for Musekwa satellite library	28 February 2022 at 12:00pm	In evaluation
02	32 of 2022	Panel of service providers for supply and delivery of electrical material for the period of three (03) years	01 August 2022 at 12H00pm	On advert
03	33 of 2022	Re-advertisement : Appointment of panel of consultants for professional civil engineering related services for the period of three (03) years	15 July 2022 at 12H00pm	On advert
04	34 of 2022	Appointment of panel electrical contractor to supply and erection of high masts lightening structures in rural villages for the period of three (03) years	01 August 2022 at 12H00pm	On advert
05	35 of 2022	Construction of Lutanandwa Access Road and Bridge Phase 2	01 August 2022 at 12H00pm	On advert
06	36 of 2022	Construction of Kutama Sinthumule Sports Facility	01 August 2022 at 12H00pm	On advert

FORMAL WRITTEN QUOTATION AS AT 30 JUNE 2022

ACTIVITY	Quotations Advertised	Quotations Evaluated	Quotations Awarded
1st Quarter	28	23	23
2nd Quarter	40	15	15
3rd Quarter	28	11	11
4th Quarter	20	13	13

PROCUREMENT DEVIATION FOURTH QUARTER AS AT 30 JUNE 2022

1. The number of awards made in terms of SCM regulation 36
= **15**
2. Reason(s) for deviation in terms of SCM Regulations 36
Reason: Sole service providers and impractical to follow normal SCM process
3. Total value of deviations under R 200 000
= **R500,796.48**
4. Total value of deviations over R200 000
= **R0**
5. Total number of deviations under R 200 000 is 20
6. Total number of deviation over R 200 000 is 0
7. Total value of deviations awarded through SCM Regulation 36
= **R 500,796.48**

STATUS OF RECONCILIATIONS AS AT 30 JUNE 2022

Bank reconciliations is up to date
Grant Reconciliation is up to date
Investment Reconciliations is up to date
Assets Reconciliation is up to date
Petty Cash reconciliation is up to date
Retention reconciliation is up to date
Inventory Reconciliation is up to date
Debtors Reconciliations is up to date
Salary Reconciliation is up to date
Vat Reconciliation is done up to Month of May 2022

10 A CASH FLOW POSITION

This statement indicates the financial position as at 30 June 2022 is R 200 740 897.07 .The municipality continue to keep a favorable balance on the monthly basis and this cash flow statement reflect positive balance of R 200 740 897.07 at the end third quarter 30 June 2022.

Primary Account R 200 740 897.07

Closing balance as at 30 JUNE 2022 R 200 740 897.07

Description	Budget Year 2021/22												
	R thousands	APPROVED ADJUSTED BUDGET	Fourth QUARTER Projections	Q1 Sept 2021	Q2 Dec 2021	Q3 March 2022	Q4 June 2022	Actual to date	YTD Variance	YTD variance	YTD Actual Budget/Budget %	Actual vs Projected%	Full Year Forecast
Revenue By Source													
Property rates	96,189,884.00	96,189,884.00	23,820,535.08	23,074,464.92	25,503,064.00	23,863,111.59	96,261,175.59	71,291.59	0%	100%	100%	96,189,884.00	
Service charges - electricity revenue	457,348,320.00	457,348,320.00	83,240,910.33	123,648,089.67	76,971,200.00	105,379,938.70	389,240,138.70	-68,108,181.30	-17%	85%	85%	457,348,320.00	
Service charges - refuse revenue	13,750,000.00	13,750,000.00	3,475,379.04	3,399,620.96	3,536,464.00	3,315,496.52	13,726,960.52	-23,039.48	0%	100%	100%	13,750,000.00	
Rental of facilities and equipment	301,000.00	301,000.00	350,315.56	-240,452.56	76,095.00	-	185,958.00	-115,042.00	-62%	62%	62%	301,000.00	
Interest earned - external investments	6,423,000.00	6,423,000.00	1,690,655.93	1,521,226.07	2,368,284.00	116,630.98	5,696,796.98	-726,203.02	-13%	89%	89%	6,423,000.00	
Interest earned - outstanding debtors	29,141,000.00	29,141,000.00	7,524,228.26	10,027,140.74	5,486,216.00	7,654,145.63	30,691,730.63	1,550,730.63	5%	105%	105%	29,141,000.00	
Fines, penalties and forfeits	4,241,000.00	4,241,000.00	446,352.90	164,647.10	2,669,117.00	112,995.90	3,393,112.90	-847,887.10	-25%	80%	80%	4,241,000.00	
Licences and permits	3,836,000.00	3,836,000.00	815,804.24	1,102,183.76	1,222,936.00	912,469.19	4,053,393.19	217,393.19	5%	106%	106%	3,836,000.00	
Transfers and subsidies	556,941,000.00	556,941,000.00	169,813,000.00	133,660,000.00	234,468,000.00	19,000,000.00	556,941,000.00	-	0%	100%	100%	556,941,000.00	
Other revenue	131,154,000.00	131,154,000.00	4,176,329.46	11,385,802.50	60,518,923.27	-	76,081,055.23	-55,072,944.77	-72%	58%	58%	131,154,000.00	
Total Revenue	1,299,325,204.00	1,299,325,204.00	295,353,510.80	307,742,723.16	412,820,299.27	160,354,788.51	1,176,271,321.74	-123,053,882.26	-9%	91%	91%	1,299,325,204.00	

Description	Budget Year 2021/22											
	APPROVED ADJUSTED BUDGET	Fourth QUARTER Projections	Q1 Sept 2021	Q2 Dec 2021	Q3 March 22	Q4 June 2022	ACTUAL TO DATE	YTD Variance	YTD variance	YTD Actual Budget/Budget %	Actual vs Projected%	Full Year Forecast
Expenditure By Source												
Employee related costs	298,896,000.00	298,896,000.00	60,210,370.84	75,228,629.16	71,000,188.00	61,568,068.31	268,007,256.31	-30,888,743.69	-10%	90%	90%	298,896,000.00
Remuneration of councillors	28,311,000.00	28,311,000.00	6,548,486.17	6,637,513.83	7,309,070.00	7,575,735.20	28,070,805.20	-240,194.80	-1%	99%	99%	28,311,000.00
Debt impairment	57,933,944.00	57,933,944.00	22,411,110.74	20,747,889.26	4,000,000.00	9,700,135.73	56,859,135.73	-1,074,808.27	-2%	98%	98%	57,933,944.00
Depreciation & asset impairment	130,000,000.00	130,000,000.00	34,550,736.76	34,449,263.24	35,613,001.00	23,533,489.98	128,146,490.98	-1,853,509.02	-1%	99%	99%	130,000,000.00
Finance charges	9,263,428.00	9,263,428.00		2,458,908.00	5,431,992.00	1,225,678.00	9,116,578.00	-146,850.00	-2%	98%	98%	9,263,428.00
Bulk purchases	300,000,000.00	300,000,000.00	79,025,586.15	91,760,413.85	44,186,946.00	81,725,289.59	296,698,235.59	-3,301,764.41	-1%	99%	99%	300,000,000.00
Other materials	30,382,980.00	30,382,980.00	4,899,909.32	8,220,090.68	2,772,000.00	10,964,086.20	26,856,086.20	-3,526,893.80	-12%	88%	88%	30,382,980.00
Contracted services	207,512,000.00	207,512,000.00	40,172,161.68	33,506,838.32	64,387,532.00	41,867,893.26	179,934,425.26	-27,577,574.74	-13%	87%	87%	207,512,000.00
Other expenditure	82,035,611.00	82,035,611.00	15,655,462.94	25,074,537.06	2,772,000.00	23,907,094.07	67,409,094.07	-14,626,516.93	-18%	82%	82%	82,035,611.00
Total Expenditure	1,144,334,963.00	1,144,334,963.00	263,473,824.60	298,084,083.40	237,472,729.00	262,067,470.34	1,061,098,107.34	-83,236,855.66	-7%	93%	93%	1,144,334,963.00