



BOJANALA DISTRICT MUNICIPALITY

MID-YEAR BUDGET AND
PERFORMANCE ASSESSMENT
1 JULY 2023-31 DECEMBER 2023

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1. Introduction

In terms of Section 72 (1) of the Local Government: Municipal Finance Management Act, 2003(Act 56 of 2003), the accounting officer of a municipality must, by 25 January of each financial year, assess the performance of the municipality during the first half of the financial year and submit a report on such an assessment to the Mayor of the municipality, the National Treasury and the relevant provincial treasury. The Mayor must, in turn, comply with the provisions of Section 54, which includes submitting the report to the Council by 31 January of each year.

2. Purpose of report

To submit to the Executive Mayor an assessment report on the Municipality's Performance covering the period 1 July 2024 to 31 December 2023.

3. Legislative Framework

This report has been prepared in terms of the following enabling legislation.

The Municipal Finance Management Act

The Municipal Finance Management Act-Number 56 of 2003 Section 72: Mid-Year Budget and Performance Assessment

- (1) The accounting officer of a municipality must by 25 January of each year;
 - (a) Assess the performance of the municipality during the first half of the financial year, taking into account;
 - (i) the monthly statements referred to in section 71 for the first half of the financial year;
 - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;

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- (iii) the past year's annual report, and progress on resolving problems identified in the annual report, and
- (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
- (b) Submit a report on such assessment to;
 - (i) the mayor of the municipality;
 - (ii) the National Treasury; and
 - (iii) the relevant provincial treasury.
- (2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1) (b) of this section.
- (3) The accounting officer must, as part of the review;
 - (a) make recommendations as to whether an adjustment budget is necessary, and
 - (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

3.2 Thereafter, the mayor must, in terms of Section 54 (1) –

Consider the report

- (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan provided that the revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustment budget;
- (d) Issue any appropriate instructions to the accounting officer to ensure-
 - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and
 - (ii) That spending of funds and revenue collection proceed in accordance with the budget;

- (e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) Submit the report to the council by 31 January of each year

3.3 Reports on failure to adopt or implement budget-related and other policies

Section 54: Budgetary control and early identification of financial problems

(1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must:

- (a) consider the statement or report;

check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;

(c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;

(d) issue any appropriate instructions to the accounting officer to ensure;

(i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and

(ii) that spending of funds and revenue collection proceed in accordance with the budget;

(e) identify any financial problems facing the municipality, including any emerging or impending financial problems; and

(f) In the case of a section 72 report, submit the report to the council by 31 January of each year.

(2) If the municipality faces any serious financial problems, the mayor must—

- (a) promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include—
 - (i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;
 - (ii) the tabling of an adjustments budget; or
 - (iii) steps in terms of Chapter 13; and
 - (b) alert the council and the MEC for local government in the province to those problems.
- (3) The mayor must ensure that any revisions to the service delivery and budget implementation plan are made public promptly.

Report to the provincial executive if conditions for provincial intervention exist

Section 33: Format of a mid-year budget and performance assessment

A mid-year budget and performance assessment of a municipality referred to in section 72 of the Act must be in a format specified in Schedule C and include all the required tables, charts, and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

Section 34: Publication of mid-year budget and performance assessments

- 1) Within five working days of 25 January each year the municipal manager must make the mid-year budget and performance assessment public by placing it on the municipal website.
- 2) The municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the mid-year budget and performance assessment, including-
 - (a) summaries in alternate languages predominant in the community, and
 - (b) information relevant to each ward in the municipality.

Section 35: Submission of mid-year budget and performance assessments

The municipal manager must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form:

- (a) the mid-year budget and performance assessment by 25 January of each year;
and
- (b) any other information relating to the mid-year budget and performance assessments as may be required by the National Treasury.

PART 1: MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT

This report has been prepared in terms of the Local Government: Municipal Finance Management Act Number 56 of 2003: Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009.

4 Mayor's Report

For the mid-year budget and performance assessment, the mayor's report must also provide -

- (a) a summary of the past year's annual report, and progress on resolving problems identified in the annual report and the audit report;
- (b) a summary of any potential impact of the national adjustments budget and the relevant provincial; and National Treasury
- (c) a recommendation as to whether an adjustment budget for the municipality is necessary.

4.1 Summary of the previous year's annual report

The Statement of Financial Performance provides an overview of the performance of the municipality and focuses on the financial health of the municipality. Audit Committee as well as a positive shift in governance but the following areas still require
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responsiveness and mitigation measures to improve the audit outcome of the municipality in 2022/23 Financial Year, e.g.;

- Improved Internal Controls;
- Strong Leadership;
- Oversight in monitoring
- Review process of the financial statement and annual performance report

5. Mid-Year Performance Assessment

Municipal adjustments budgets

- (1) A municipality may revise an approved annual budget through an adjustment budget
- (2) An adjustments budget
 - (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
 - (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for;
 - (c) may, within a prescribed framework, authorize unforeseeable and unavoidable expenditures recommended by the mayor of the municipality;
 - (d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
 - (e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
 - (f) may correct any errors in the annual budget; and
 - (g) may provide for any other expenditure within a prescribed framework.

- h) The municipality will have to adjust the budget during February 2024 due to material changes in Revenue and Expenditure

The municipality will have to adjust the budget during February 2024 due to material changes in Revenue and Expenditure.

5.1 Resolutions

If the mid-year review is tabled in the municipal council resolutions dealing with at least the following matters must be prepared and presented as part of the documentation, as may be relevant-

- (a) noting the monthly budget statement and any supporting documents;
- (b) noting the quarterly report on the implementation of the budget and the financial affairs for the municipal referred to in section 52(d) of the Act;
- (c) noting the mid-year budget and performance assessment referred to in section 72 of the Act;
- (d) any other resolutions that may be required

5.1.1 Mid-Year Budget and Performance Report

This is the resolution that will be presented to Council when the Mid-Year Budget and Performance Assessment are tabled:

5.1.2 Recommendation:

That Council takes cognizance of the 2023/24 Mid-Year Budget and Performance Assessment as tabled in terms of Sections 54 and 72 of the Municipal Finance Management Act.

A revised budget for 2023/24 is submitted to the Council to accommodate all new allocations and any other adjustments to the budget as well as the Service Delivery Budget and Implementation Plan.

6 Executive Summary

The executive summary of the mid-year budget and performance assessment must, in addition to the information in the executive summary of the monthly budget statement as well as on the quarterly report on the implementation of the budget and the financial affairs for the municipality provide a summary of the impact of the national adjustments budget and the relevant provincial adjustments budget.

6.1 Introduction

The Mid-Year Review has been prepared in terms of the Municipal Budget and Reporting Regulations (as per the prescribed formats).

6.2 Operating Revenue

The total revenue collection amounts to R307 795 000 of the budget amounts of R202 829 000 which is 51% of the total budget. The municipality has received the second tranche of the 2023/24 equitable share. The actual year-to-date total revenue amounts to R307 795 000 which is 75% of the R410 734 000 of the annual budget.

The municipality has collected R1 859 000 on other revenue which is 1139.1% of the annual budgeted amount of R 300 000.00. More than the budget year-to-date amount of R150 000 the municipality will adjust the line item during the third quarter as per the Regulation.

6.3 Operating Expenditure

- Employee-related costs for the period ending December 2023 amounted to R100 073 000, which is 40.79% of the annual budget of R246 314 000. The municipality has advertised the vacancies and the organogram has been taken to the LLF as per the Staff Regulation No. 45181 of September 2022 to be aligned with the powers and functions of the Municipality. Expenditure relating to employee cost should improve during the third quarter
- Councillor remuneration for the month to date amounted to R10 872 000. Which is 52% of the allocated annual budget of R20 931 000. the municipality paid the upper limits and related backpay to the councillors
- The contracted service has spent R23 534 000 (48 %) to the budget amount of R 48 562 000 the expenditure is for the contractual projects or Commitment.
- The Depreciation is not running accordingly as per the municipal policy every month, due to the system.
- The repairs and maintenance are mainly on vehicles and buildings. The municipality does not have any infrastructure project; therefore, the spending or projected is below the guideline of 8% of total operating.
- The total expenditure is R156 747 (33%) of the annual budgeted amount of R46 512 000. The reason for the underspending is due to the procurement plan not being fully implemented and the prudent utilisation of funds.

6.4 Capital Expenditure

For the period under review, the municipality has spent an amount of R 1 052 000 on capital expenditure for the 2nd^l quarter against the total budget of R41 440 000, The under expenditure is unfavorable, and underspending remains a concern as service delivery may become compromised while conditional Grants may be forfeited. The under-expenditure is due to the procurement plan not being followed.

Following is a breakdown of capital expenditure during July – December 2023

Departments	Description	Expenditure
Technical and municipal Health	Laptop	R143 549
Corporate services	Vehicle Navara	R570 326.00
Corporate Services	Board Chairs	R329 000
municipal Council	Digital Camera	R 9 130
Total		R1 052 000

6.5 Debtors

The Municipality has no billing and as a result, there are no receivables. The Municipality has other debtors to the value of R1 225 000 which relates to a fine to Ferrochrome mine. The fine was issued due to noncompliance with air quality requirements.

The amount in question has been presented to council to be written off, and Council resolved that the matter be first investigated by MPAC

6.6 Creditors

The Municipality has R 3 464 000 owing to different creditors. Of the reported amount R2,8 million relates to a dispute with Telkom where the municipality was billed for lines not belonging to them and unresolved matters with other creditors as well as Matshego Projects with an amount of R645 000 is also in dispute with the municipality

7. In Year Budget Tables

In year-budget statement

If a municipality does not have any municipal entities, the in-year budget statement tables must consist of the following Schedules, namely-

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- (a) Table C1 s71 Monthly Budget Statement
- (b) Table C2 Monthly Budget Statement -Financial Performance (standard classification)
- (c) Table C3 Monthly Budget Statement- Financial Performance (revenue and expenditure)
- (d) Table C4 Monthly Budget Statement- (revenue and expenditure)
- (e) Table C5 Monthly Budget Statement-Capital Expenditure (municipal vote, standard classification and funding)
- (f) Table C6 Monthly Budget Statement-Financial Position
- (g) Table C7 Monthly Budget Statement-Cash flow

The tables included in section 5 to the end of this report are from the 'C Schedule Monthly Budget Statement'

DC37 Bojanala Platinum - 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	18 267	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	388 109	402 434	-	132 425	297 808	198 679	99 129	50%	402 434
Other own revenue	4 404	8 300	-	184	9 987	4 150	5 837	141%	-
Total Revenue (excluding capital transfers and contributions)	408 781	410 734	-	132 609	307 795	202 829	104 966	52%	410 734
Employee costs	200 842	246 314	-	16 210	100 073	123 157	(23 084)	-	246 314
Remuneration of Councillors	19 793	20 931	-	1 708	10 872	10 485	406	-	20 931
Depreciation and amortisation	6 055	6 000	-	-	-	3 000	(3 000)	-	6 000
Interest	-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	382	-	-	24	92	-	92	-	-
Transfers and subsidies	2 232	-	-	-	2 492	-	2 492	#DIV/0!	-
Other expenditure	89 159	95 074	-	3 454	43 219	49 922	(6 703)	-13%	95 074
Total Expenditure	318 443	368 319	-	21 396	156 747	188 545	(29 797)	-16%	368 319
Surplus/(Deficit)	90 338	42 415	-	111 213	151 048	16 284	134 763	828%	42 415
Transfers and subsidies - capital (monetary)	2 629	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	92 867	42 415	-	111 213	151 048	16 284	134 763	828%	42 415
Share of surplus/ (deficit) of associate	2 409	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	95 276	42 415	-	111 213	151 048	16 284	134 763	828%	42 415
Capital expenditure & funds sources									
Capital expenditure	22 067	41 440	-	107	1 052	20 720	(19 667)	-95%	41 440
Capital transfers recognised	32	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	22 035	41 440	-	107	1 052	20 720	(19 667)	-95%	41 440
Total sources of capital funds	22 067	41 440	-	107	1 052	20 720	(19 667)	-95%	41 440
Financial position									
Total current assets	323 368	190 092	-	-	471 594	-	-	-	190 092
Total non current assets	64 745	70 006	-	-	65 798	-	-	-	70 006
Total current liabilities	111 025	85 185	-	-	109 255	-	-	-	85 185
Total non current liabilities	33 096	-	-	-	33 096	-	-	-	-
Community wealth/Equity	243 993	174 914	-	-	395 041	-	-	-	174 914
Cash flows									
Net cash from (used) operating	516 854	(68 694)	-	182	155 664	(16 159)	(171 823)	1083%	(68 694)
Net cash from (used) investing	(117 394)	47 656	-	(107)	(1 052)	23 828	24 880	104%	47 656
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	399 460	(201 763)	-	-	154 612	(173 056)	(327 668)	189%	-
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	0	0	0	0	0	0	4	3 457	3 464

(b) Monthly Budget Statement – Financial Performance Standard Classification)

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This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by the National Treasury to assist in the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

The main functions are Governance and Administration, Community and Public Safety, Economic and environmental Services and lastly the Trading Services

DC37 Bojanala Platinum - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	Budget Year 2023/24								Full Year Forecast
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		411 485	407 896	-	132 425	305 937	203 948	101 989	50%	407 896
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		411 485	407 896	-	132 425	305 937	203 948	101 989	50%	407 896
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2 234	2 838	-	184	1 859	(1 119)	2 978	-268%	2 838
Community and social services		2 234	300	-	184	1 859	150	1 709	1139%	300
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	2 538	-	-	-	(1 289)	1 289	-100%	2 538
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
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	413 719	410 734	-	132 609	307 795	202 829	104 968	52%	410 734
Expenditure - Functional										
<i>Governance and administration</i>		167 860	177 132	-	10 543	86 499	90 951	(4 451)	-5%	177 132
Executive and council		78 787	73 996	-	5 219	39 026	39 383	(367)	-1%	73 996
Finance and administration		88 893	103 136	-	5 327	47 473	51 566	(4 093)	-8%	103 136
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		127 992	180 741	-	9 416	59 951	80 371	(20 420)	-25%	180 741
Community and social services		67 265	21 765	-	1 212	6 509	10 883	(4 374)	-40%	21 765
Sport and recreation		430	250	-	-	121	125	(4)	-3%	250
Public safety		17 343	90 946	-	5 297	36 100	45 473	(10 374)	-23%	90 946
Housing		-	-	-	-	-	-	-	-	-
Health		42 954	47 780	-	2 908	18 221	23 890	(5 669)	-24%	47 780
<i>Economic and environmental services</i>		13 633	16 719	-	782	5 930	8 360	(2 430)	-29%	16 719
Planning and development		10 988	13 923	-	782	5 866	6 862	(1 096)	-16%	13 923
Road transport		2 645	2 796	-	-	65	1 398	(1 333)	-95%	2 796
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		9 157	13 727	-	656	4 367	6 863	(2 496)	-36%	13 727
Energy sources		-	-	-	-	-	-	-	-	-
Water management		1 884	1 104	-	79	654	552	102	18%	1 104
Waste water management		7 273	12 623	-	576	3 713	6 311	(2 598)	-41%	12 623
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	318 443	368 319	-	21 396	156 747	186 545	(29 797)	-16%	368 319
Surplus/ (Deficit) for the year		95 276	42 415	-	111 213	151 048	16 284	134 763	828%	42 415

(c) Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

The operating expenditure budget is approved by the Council on the municipal vote level. The municipal votes reflect the Organisational structure of the municipality which is made up of the following Departments and Divisions:

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- Mayoral & Council, Municipal Manager, Corporate Services, Budget and Treasury, Community and Social Services, LED and Technical Services

DC37 Bojanala Platinum - 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 1 - Municipal manager		-	-	-	-	-	-	-	-	-
Vote 2 - Community and Social Services		2 234	300	-	184	1 859	150	1 709	1139.1%	300
Vote 3 - Health & environmental Services		-	-	-	-	-	-	-	-	-
Vote 4 - Executive		-	-	-	-	-	-	-	-	-
Vote 5 - Finance		411 485	407 896	-	132 425	305 937	203 948	101 989	50.0%	407 896
Vote 6 - Local economic development		-	-	-	-	-	-	-	-	-
Vote 7 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 8 - Technical		-	2 538	-	-	-	(1 269)	1 269	-100.0%	2 538
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	413 719	410 734	-	132 609	307 795	202 829	104 966	51.8%	410 734
Expenditure by Vote	1									
Vote 1 - Municipal manager		47 584	39 884	-	2 054	22 598	19 842	2 756	13.9%	39 884
Vote 2 - Community and Social Services		16 715	98 983	-	5 779	37 982	49 482	(11 499)	-23.2%	98 983
Vote 3 - Health & environmental Services		109 050	61 278	-	3 637	21 968	30 639	(8 671)	-28.3%	61 278
Vote 4 - Executive		41 907	42 045	-	3 220	20 214	23 408	(3 194)	-13.6%	42 045
Vote 5 - Finance		35 319	48 273	-	1 712	21 143	24 137	(2 994)	-12.4%	48 273
Vote 6 - Local economic development		8 847	12 715	-	767	4 603	6 358	(1 755)	-27.6%	12 715
Vote 7 - Corporate Services		45 208	48 837	-	3 571	23 807	24 419	(611)	-2.5%	48 837
Vote 8 - Technical		11 802	16 523	-	658	4 432	8 261	(3 830)	-46.4%	16 523
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	318 443	368 319	-	21 396	156 747	186 545	(29 797)	-18.0%	368 319
Surplus/ (Deficit) for the year	2	95 276	42 415	-	111 213	151 048	16 284	134 763	827.6%	42 415

(d) Monthly Budget Statement (revenue and expenditure)

This table shows the revenue by source as well as the expenditure by type.

DC37 Bojanala Platinum - 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		(165)	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		185	-	-	-	-	-	-	-	-
Interest from Current and Non Current Assets		18 267	8 000	-	-	8 131	4 000	-	-	8 000
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	-	-	-	-	-	-	-	-
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		2 149	-	-	-	(3)	-	(3)	#DIV/0!	-
Non-Exchange Revenue										
Property rates		-	-	-	-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2 234	300	-	184	1 859	150	1 709	-	300
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		386 109	402 434	-	132 425	297 808	198 679	99 129	-	402 434
Interest		-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		408 781	410 734	-	132 609	307 795	202 829	104 966	52%	410 734
Expenditure By Type										
Employee related costs		200 842	246 314	-	16 210	100 073	123 157	(23 084)	-19%	246 314
Remuneration of councillors		19 793	20 931	-	1 708	10 872	10 465	406	4%	20 931
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-
Inventory consumed		362	-	-	24	92	-	92	-	-
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		6 055	6 000	-	-	-	3 000	(3 000)	-100%	6 000
Interest		-	-	-	-	-	-	-	-	-
Contracted services		51 305	48 562	-	1 186	23 534	26 666	(3 132)	-12%	48 562
Transfers and subsidies		2 232	-	-	-	2 492	-	2 492	#DIV/0!	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-
Operational costs		37 854	46 512	-	2 268	19 685	23 256	(3 571)	-15%	46 512
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		318 443	368 319	-	21 396	156 747	186 545	(29 797)	-16%	368 319
Surplus/(Deficit)		90 338	42 415	-	111 213	151 048	16 284	134 763	0	42 415
Transfers and subsidies - capital (monetary allocations)		2 529	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		92 867	42 415	-	111 213	151 048	16 284			42 415
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		92 867	42 415	-	111 213	151 048	16 284			42 415
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		92 867	42 415	-	111 213	151 048	16 284			42 415
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany /Parent subsidiary transactions		(2 409)	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		95 276	42 415	-	111 213	151 048	16 284			42 415

(e) Monthly Budget Statement -Capital Expenditure (municipal vote, standard classification and funding)

MID-TERM ASSESSMENT FOR THE 2023/24

DC37 Bojanala Platinum - 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 1 - Municipal manager		-	-	-	-	-	-	-	-	-
Vote 2 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 3 - Health & environmental Services		-	-	-	-	-	-	-	-	-
Vote 4 - Executive		-	-	-	-	-	-	-	-	-
Vote 5 - Finance		-	-	-	-	-	-	-	-	-
Vote 6 - Local economic development		-	-	-	-	-	-	-	-	-
Vote 7 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 8 - Technical		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Municipal manager		350	50	-	-	-	25	(25)	-100%	50
Vote 2 - Community and Social Services		2 947	2 460	-	-	-	1 230	(1 230)	-100%	2 460
Vote 3 - Health & environmental Services		387	200	-	25	25	100	(75)	-75%	200
Vote 4 - Executive		-	-	-	-	-	-	-	-	-
Vote 5 - Finance		(5 665)	22 230	-	9	56	11 115	(11 059)	-99%	22 230
Vote 6 - Local economic development		84	200	-	-	-	100	(100)	-100%	200
Vote 7 - Corporate Services		(133)	150	-	-	899	75	824	1099%	150
Vote 8 - Technical		24 096	16 150	-	72	72	8 075	(8 003)	-99%	16 150
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	22 067	41 440	-	107	1 052	20 720	(19 667)	-95%	41 440
Total Capital Expenditure		22 067	41 440	-	107	1 052	20 720	(19 667)	-95%	41 440
Capital Expenditure - Functional Classification										
Governance and administration		(5 447)	22 430	-	9	955	11 215	(10 260)	-91%	22 430
Executive and council		350	50	-	-	-	25	(25)	-100%	50
Finance and administration		(5 797)	22 380	-	9	955	11 190	(10 235)	-91%	22 380
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		3 334	2 660	-	25	25	1 330	(1 305)	-98%	2 660
Community and social services		394	2 460	-	-	-	1 230	(1 230)	-100%	2 460
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2 553	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		387	200	-	25	25	100	(75)	-75%	200
Economic and environmental services		24 128	16 250	-	-	-	8 125	(8 125)	-100%	16 250
Planning and development		84	200	-	-	-	100	(100)	-100%	200
Road transport		24 044	16 050	-	-	-	8 025	(8 025)	-100%	16 050
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		52	100	-	72	72	50	22	44%	100
Energy sources		-	-	-	-	-	-	-	-	-
Water management		52	100	-	72	72	50	22	44%	100
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	22 067	41 440	-	107	1 052	20 720	(19 667)	-95%	41 440
Funded by:										
National Government		32	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		22 035	41 440	-	107	1 052	20 720	(19 667)	-95%	41 440
Total Capital Funding		22 067	41 440	-	107	1 052	20 720	(19 667)	-95%	41 440

MID TERM ASSESSMENT FOR THE 2023/24

DC37 Bojanala Platinum - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		258 421	167 594	-	402 493	167 594
Trade and other receivables from exchange transactions		1 197	-	-	1 197	-
Receivables from non-exchange transactions		-	1 225	-	-	1 225
Current portion of non-current receivables		1 357	-	-	1 357	-
Inventory		993	392	-	1 183	392
VAT		61 401	20 881	-	65 365	20 881
Other current assets		-	-	-	-	-
Total current assets		323 368	190 092	-	471 594	190 092
Non current assets						
Investments		-	-	-	-	-
Investment property		-	-	-	-	-
Property, plant and equipment		62 376	69 497	-	63 429	69 497
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		-	-	-	-	-
Intangible assets		2 369	509	-	2 369	509
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		64 745	70 006	-	65 798	70 006
TOTAL ASSETS		388 114	260 098	-	537 391	260 098
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Trade payables		59	-	-	59	-
Consumer deposits		-	-	-	-	-
Trade and other payables from exchange transactions		17 904	85 185	-	4 723	85 185
Trade and other payables from non-exchange transactions		(494)	-	-	3 447	-
Provision		38 105	-	-	38 105	-
VAT		55 451	-	-	62 921	-
Other current liabilities		-	-	-	-	-
Total current liabilities		111 025	85 185	-	109 255	85 185
Non current liabilities						
Financial liabilities		-	-	-	-	-
Provision		-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		33 096	-	-	33 096	-
Total non current liabilities		33 096	-	-	33 096	-
TOTAL LIABILITIES		144 121	85 185	-	142 351	85 185
NET ASSETS	2	243 993	174 914	-	395 041	174 914
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		234 574	174 914	-	385 622	174 914
Reserves and funds		9 419	-	-	9 419	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	243 993	174 914	-	395 041	174 914

MID-TERM ASSESSMENT FOR THE 2023/24

(g) Monthly Budget Statement -Cash Flow

DC37 Bojanala Platinum - 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										
1										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-
Other revenue		2 234	300	-	184	1 859	150	1 709	1139%	300
Transfers and Subsidies - Operational		516 390	402 434	-	(109)	150 983	201 217	(50 234)	-25%	402 434
Transfers and Subsidies - Capital		(1 770)	-	-	-	1 770	-	1 770	#DIV/0!	-
Interest		-	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		-	(471 428)	-	107	1 052	(217 526)	(218 578)	100%	(471 428)
Finance charges		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		516 854	(68 694)	-	182	155 664	(16 159)	(171 823)	1063%	(68 694)
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		(117 394)	47 656	-	(107)	(1 052)	23 828	24 880	104%	47 656
NET CASH FROM/(USED) INVESTING ACTIVITIES		(117 394)	47 656	-	(107)	(1 052)	23 828	24 880	104%	47 656
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		399 460	(21 038)	-	76	154 612	7 669			-
Cash/cash equivalents at beginning:		-	(180 725)	-	-	-	(180 725)			-
Cash/cash equivalents at monthly year end:		399 460	(201 763)	-	-	154 612	(173 056)			-

The municipality has budgeted an amount of R410 734 000 for revenue including the capital. To date, the municipality recorded a total expenditure paid to date of R 156 747 000 for both employees and suppliers.

Total cash and cash equivalents amounted to R 402 135 552.44, the increase in cash flow is due to the receipt of the operational grants.

8 PART 2-SUPPORTING DOCUMENTATION

8.1 Debtor's Analysis

The debtor's analysis must contain-

- (a) an aged analysis reconciled with the financial position grouped by
 - (i) revenue by source; and
 - (ii) customer group

DC37 Bolehala Platinum - Supporting Table SG3 Monthly Budget Statement - aged debtors - M05 December

Description	NT Code	Budget Year 2023/24									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 1Yr	Total			
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	-	-	-	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	-	-	-	-	-	-	-	-	-	-	-	-
2022/23 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	-	-	-	-	-	-	-	-	-	-	-	-
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	-	-	-	-	-	-	-	-	-	-	-	-

The Municipality has no billing and as a result, there are no receivables. The Municipality has other debtors to the value of R1 225 000 which relates to a fine to Ferrochrome mine. The fine was issued due to noncompliance with air quality requirements.

The amount in question has been presented to council to be written off, and Council resolved that the matter be first investigated by MPAC

8.2 Creditor's Analysis

The creditor's analysis must contain an aged analysis by customer type reconciled with the financial position.

DC37 Bojanala Platinum - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
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	-	-	-	-	-	-	-	3 315	3 315	3 315	3 315
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	0	0	0	0	0	0	4	142	149	149	
Total By Customer Type	1000	0	0	0	0	0	0	4	3 457	3 464	3 464	

The Municipality has R 3 464 000 owing to different creditors, Creditors should be paid within 30 days as stipulated by the MFMA except where there are disputes between the municipality and the creditor. Of the R3, 4m The biggest amount relates to Telkom a and Matshego which are in dispute

8.3 Investment Portfolio Analysis

The investment portfolio analysis must include information consistent with the requirements of the Municipal Investment Regulations, 2005 issued by the National Treasury.

Months Invested	Institutions	Invested Amount	Amount Received	Rate	Invested Date	Maturity Date	No. of Days	Actual Interest
July	Standard Bank	50,000,000.00	50,206,095.89	8.850%	7/7/2023	7/24/2023	17	206,095.89
July	Nedbank	100,000,000.00	101,213,808.22	9.23%	7/7/2023	8/24/2023	48	1,213,808.22
July	Nedbank	100,000,000.00	101,936,438.36	9.30%	7/7/2023	9/21/2023	76	1,936,438.36
July	Absa Bank	100,000,000.00	102,887,753.40	9.67%	7/7/2023	10/24/2023	109	2,887,753.40
July	Absa Bank	50,000,000.00	51,886,972.60	9.91%	7/7/2023	11/23/2023	139	1,886,972.60
August	Nedbank	25,000,000.00		9.23%	8/15/2023	1/24/2024	162	
September	Absa Bank	60,000,000.00		9.64%	8/12/2023	2/29/2024	170	
October	Absa Bank	90,000,000.00		9.62%	10/20/2023	3/22/2024	154	
November	Absa Bank	80,000,000.00		9.75%	11/8/2023	4/24/2023	169	
December	Absa Bank	100,000,000.00		9.80%	12/7/2023	5/24/2023	169	
December	Absa Bank	30,000,000.00		9.41%	12/7/2023	2/23/2023	78	
		785,000,000.00	408,131,068.47					8,131,068.47

The investment account closed with a balance of R385 000 000.00 for the short-term investment. The investments are made with monies that are not due for immediate consumption, to generate interest. The investments are made from excess monies on employee costs, contracted services, capital expenditure and other operational costs.

9 Allocation and grant receipts and

MID-TERM ASSESSMENT FOR THE 2023/24

Expenditure

The disclosure on allocation and grant expenditure must reflect particulars of-

- (a) allocation and grant receipts and expenditure against each allocation or grant; and
- (b) any change in allocations as result of-
 - (i) an adjustments budget of the national or provincial government or district or local municipality; and
 - (ii) changes in grants from other providers

9.1 Supporting Table SC6 -Grants receipts

GRANT	ALLOCATED	RECEIVED	RECEIVED%	SPENT		RECEIVED SPENT	ALLOCATED SRE	UNSPENT
				JULY	JUNE			
Financial Management Grant	1 850 000.00	1 850 000.00	100%	787 955		43%	43%	1 062 045
Expanded public works	1 256 000.00	314 000.00		1 256 000		400%	0%	942 000
RRAMS	2 539 000.00	1 777 000.00	70%	-		0%	0%	1 777 000
SETA	53 794.98	216 142.29	402%	79 472		37%		136 670
	5 698 794.98	4 157 142.00		2 123 427.00				2 033 715.20

The municipality has submitted the FMG grant plan for the year, to date we received 100% of the equitable share and spent 43%, the municipality must spend the grant according to the plan activities. For the EPWP the municipality received an amount of R314 000 to date the municipality has spent an amount of R1 256 000 which is 100% of the allocation

The municipality has received an amount of R1 777 000 of RAMS, but to date, the municipality has not spent, this is a matter of concern as the municipality can pay back the money to the National Treasury. The under-expenditure is a result of the appointed service provider not delivering according to the expectation

9.2 Councilors and board member allowances and employee benefits

Expenditure on Councilors and Board members allowances and employee benefits. The disclosure on Councilors and board members' allowances and employee benefits must include a comparison of actual expenditure and budgeted expenditure on-

- (a) Councilor allowances
- (b) employee benefits.

DC37 Bojanala Platinum - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	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	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		13 973	14 856	-	1 216	7 967	7 428	539	7%	14 856
Pension and UIF Contributions		1 519	1 683	-	113	745	842	(97)	-12%	1 683
Medical Aid Contributions		166	138	-	13	73	69	4	6%	138
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		1 176	1 151	-	122	623	575	48	8%	1 151
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		2 959	3 102	-	245	1 464	1 551	(87)	-8%	3 102
Sub Total - Councillors		19 793	20 931	-	1 708	10 872	10 465	406	4%	20 931
% Increase	4		5.7%							5.7%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 731	9 404	-	392	2 508	4 702	(2 193)	-47%	9 404
Pension and UIF Contributions		3	1 697	-	167	206	848	(642)	-76%	1 697
Medical Aid Contributions		-	2 112	-	99	599	1 056	(457)	-43%	2 112
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	1 050	-	37	443	525	(82)	-16%	1 050
Motor Vehicle Allowance		77	60	-	5	30	30	-	-	60
Cellphone Allowance		27	103	-	6	35	52	(16)	-32%	103
Housing Allowances		100	562	-	37	221	281	(61)	-22%	562
Other benefits and allowances		-	1	-	0	1	0	1	303%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment	2	-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance in kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		1 937	14 989	-	742	4 044	7 495	(3 451)	-46%	14 989
% Increase	4		673.9%							673.9%
Other Municipal Staff										
Basic Salaries and Wages		124 044	146 308	-	10 013	60 839	73 154	(12 315)	-17%	146 308
Pension and UIF Contributions		22 305	25 470	-	1 872	11 246	12 735	(1 489)	-12%	25 470
Medical Aid Contributions		8 583	11 552	-	654	3 939	5 776	(1 837)	-32%	11 552
Overtime		6 024	17 316	-	738	5 096	8 658	(3 562)	-41%	17 316
Performance Bonus		9 507	10 165	-	669	5 549	5 082	466	9%	10 165
Motor Vehicle Allowance		13 219	12 000	-	1 052	6 317	6 000	317	5%	12 000
Cellphone Allowance		708	623	-	48	293	311	(19)	-6%	623
Housing Allowances		1 304	789	-	74	447	395	52	13%	789
Other benefits and allowances		7 562	5 114	-	248	1 496	2 557	(1 061)	-42%	5 114
Payments in lieu of leave		3 461	1 014	-	-	199	507	(308)	-61%	1 014
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		556	-	-	50	317	-	317	#DIV/0!	-
Entertainment	2	-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance in kind benefits		1 631	972	-	49	293	486	(193)	-40%	972
Sub Total - Other Municipal Staff		198 905	231 324	-	15 468	96 029	115 662	(19 633)	-17%	231 324
% Increase	4		16.3%							16.3%
Total Parent Municipality		220 635	287 245	-	17 918	110 945	133 622	(22 678)	-17%	287 245

MID-TERM ASSESSMENT FOR THE 2023/24

10 Material variances

Material variances to the service delivery and budget implementation plan

The monthly financial statements provide a disclosure of monthly targets for revenue, expenditure, and cash flow that includes a consolidated projection of cash flow for the budget setting out receipts by source per month for the budget year with actuals for past months and revised forecasts for future months, and shown in total for the two years following the budget year. Monthly Budget Statements- Actuals

DC37 Bojanala Platinum - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	Revenue			
	investment	8 131	the municipality under budgeted the line item	the line item will be adjusted accordingly
	finer and penalties	1 859	under budgeted	the line item will be adjusted accordingly
	Equitable share	297 808	equitable share is paid according to the payment schedule	the money is transfer according national Treasury schedule
2	Expenditure By Type			
	Employee related costs	110 945	municipality has advertised the vacancies	the line item will be adjusted accordingly
	Remuneration of councillors	26 025	the municipality has paid upper limits	the line item will be adjusted accordingly
	contracted services	23 534	The reason for the underspending is due to the procurement	the line item will be adjusted accordingly
	other expenditure	19 685	The reason for the underspending is due to the procurement	the line item will be adjusted accordingly
3	Capital Expenditure			
	Laptops	144	the procurement was done according to procurement plan	the line item will be adjusted accordingly
	vehicles	570	the procurement was done according to procurement plan	the line item will be adjusted accordingly
	camera	9130	the procurement was done according to procurement plan	the line item will be adjusted accordingly
4	Financial Position			
	community wealth	174 914	Details related to the assets and liabilities	none
5	Cash Flow			
	cash & cash equivalent	402 136	none	none
	Supplier and employee-related	110 945	none	none
6	Measureable performance			
7	Municipal Entities			

11 Parent municipality financial performance

Not applicable to Bojanala District Municipality

12 Municipal Entity Financial Performance

Not applicable to Bojanala District Municipality

13 Capital Programme Performance

The disclosure on capital programme performance must include at least-

- (a) capital expenditure by month,
- (b) a summary of capital expenditure by asset class and sub-class

DC37 Bojanala Platinum - Supporting Table SC 12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	9 783	3 453	-	-	-	3 453	-	-	-
August	9 783	3 453	-	-	-	6 907	-	-	-
September	9 783	3 453	-	925	-	10 360	-	-	-
October	9 783	3 453	-	-	-	13 813	-	-	-
November	9 783	3 453	-	21	-	17 267	-	-	-
December	9 783	3 453	-	107	107	20 720	20 613	99.5%	0%
January	9 783	3 453	-	-	-	24 173	-	-	-
February	9 783	3 453	-	-	-	27 627	-	-	-
March	9 783	3 453	-	-	-	31 080	-	-	-
April	9 783	3 453	-	-	-	34 533	-	-	-
May	9 783	3 453	-	-	-	37 987	-	-	-
June	9 783	3 453	-	-	-	41 440	-	-	-
Total Capital expenditure	117 394	41 440	-	1 082					

The Municipality acquired assets to the value of R 1052 000 during the first half of the financial year

14 Supporting Table SC 13

Supporting Tables SC 13 include the following:

- (a) SC13a: Capital Expenditure on new assets by asset class
- (b) SC13b: Capital Expenditure on renewal of existing asset by asset class

(These two tables total to Table C5) (c) SC13c: Expenditure on repairs and maintenance by asset class

DC37 Bojanala Platinum - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - 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
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		5 527	16 500	-	-	-	8 250	8 250	100.0%	16 500
Operational Buildings		5 527	16 500	-	-	-	8 250	8 250	100.0%	16 500
Municipal Offices		5 527	16 500	-	-	-	8 250	8 250	100.0%	16 500
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		5 556	100	-	-	-	50	50	100.0%	100
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		5 556	100	-	-	-	50	50	100.0%	100
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		5 556	100	-	-	-	50	50	100.0%	100
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		18 512	630	-	97	97	315	218	69.1%	630
Computer Equipment		18 512	630	-	97	97	315	218	69.1%	630
Furniture and Office Equipment		1 962	800	-	-	376	400	24	6.1%	800
Furniture and Office Equipment		1 962	800	-	-	376	400	24	6.1%	800
Machinery and Equipment		28 171	7 410	-	9	9	3 705	3 696	99.8%	7 410
Machinery and Equipment		28 171	7 410	-	9	9	3 705	3 696	99.8%	7 410
Transport Assets		45 382	16 000	-	-	570	8 000	7 430	92.9%	16 000
Transport Assets		45 382	16 000	-	-	570	8 000	7 430	92.9%	16 000
Land		12 284	-	-	-	-	-	-	-	-
Land		12 284	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	117 394	41 440	-	107	1 052	20 720	19 667	94.9%	41 440

MID-TERM ASSESSMENT FOR THE 2023/24

DC37 Bojanala Platinum - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M06

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									
<u>Living resources</u>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing ass	1	-	-	-	-	-	-	-	-	-

DC37 Bojanala Platinum - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06

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
Other assets		699	-	-	-	58	-	(58)	#DIV/0!	-
Operational Buildings		699	-	-	-	58	-	(58)	#DIV/0!	-
Municipal Offices		699	-	-	-	58	-	(58)	#DIV/0!	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		726	350	-	-	0	175	175	99.7%	350
Computer Equipment		726	350	-	-	0	175	175	99.7%	350
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	220	-	-	-	110	110	100.0%	220
Machinery and Equipment		-	220	-	-	-	110	110	100.0%	220
Transport Assets		377	1 400	-	-	1	700	699	99.8%	1 400
Transport Assets		377	1 400	-	-	1	700	699	99.8%	1 400
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	1 801	1 970	-	-	60	985	925	93.9%	1 970

MID-TERM ASSESSMENT FOR THE 2023/24

15. Adjustment Budget

Regulation 23 of the Municipal Budget and Reporting Regulations provides, inter alia, for the following:

“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances, only one adjustment budget may be tabled in Council during a financial year.”

A revised Top Layer SDBIP will be submitted with the Adjustments Budget to the Council by 28 February 2024 with the necessary motivation where key performance indicators require adjustment/ amendments as a result of the Adjustments Budget.

PART 3 – SDBIP PERFORMANCE

For the year under review, the Executive Mayor of the municipality approved the Top Layer Service Delivery and Budget Implementation Plan (SDBIP). The approved Top Layer SDBIP has 62 Key Performance Indicators (KPIs) and 47 mid-year targets. The mid-year targets are used to monitor progress towards the achievement of the annual target as well as the Key Performance Indicator (KPI).

Below is the table that measures municipal Key Performance Areas for the periods ending 30th September 2023 as well as 31st December 2023.

KEY PERFORMANCE AREAS	QUARTER 1				QUARTER 2			
	PLANNED TARGETS	ACHIEVED TARGETS	VARIANCE (NOT ACHIEVED)	% ACHIEVED	PLANNED TARGETS	ACHIEVED TARGETS	VARIANCE (NOT ACHIEVED)	% ACHIEVED
Good Governance and Public Participation	12	9	3	75%	12	9	3	75%
Municipal Transformation and Institutional Development	10	8	2	80%	8	5	3	63%
Municipal Financial Viability	4	3	1	75%	3	3	0	100%
Basic Service Delivery and Infrastructure Development	16	13	3	81%	19	15	4	79%
Local Economic Development	5	5	0	100%	5	4	1	80%
TOTAL	47	38	9	81%	47	36	11	77%

For the period ending 31st December 2023, the municipality recorded 77% achievement of its planned targets. This shows a regression of 4% as compared to the first quarter performance of 81%.

DEPARTMENTAL PERFORMANCE

The table below illustrates departmental performance for the period ending 30th September 2023 as well as departmental performance for the period ending 31st December 2023. It illustrates 77% achievement of mid-year planned targets for the period ending 31st December 2023.

DEPARTMENT/OF FICE	QUARTER 1 PERFORMANCE				QUARTER 2 PERFORMANCE			
	PLANNED TARGETS	ACHIEVED TARGETS	VARIANCE (NOT ACHIEVED)	% ACHIEVED	PLANNED TARGETS	ACHIEVED TARGETS	VARIANCE (NOT ACHIEVED)	% ACHIEVED
Office of the Executive Mayor	4	4	0	100%	3	3	0	100%
Office of the Speaker	3	2	1	67%	4	4	0	100%
Office of the Municipal Manager	9	7	2	78%	6	3	3	50%
Budget and Treasury Office	4	3	1	75%	3	3	0	100%
Technical Services	3	3	0	100%	3	2	1	67%
Corporate Support Services	3	3	0	100%	4	3	1	75%
Community Development Services	8	3	5	38%	11	7	4	64%
Health and Environmental Services	8	8	0	100%	8	7	1	88%
Economic Development, Tourism, Agriculture and Rural Development	5	5	0	100%	5	4	1	80%
TOTAL	47	38	9	81%	47	36	11	77%

PART 4 – 2022/23 POST AUDIT ACTION PLAN (PAAP)

Matters Affecting the Audit Report

Finding	Responsible Department	Due Date	Action Plan	Implementation Progress %
Internal Control Deficiency-No Job Evaluations were performed	Human Resources Management	30 June 2024	The Municipality to submit the job descriptions to the District Job Evaluation Committee to evaluate the positions and job content and to further make recommendations to the Accounting Officer.	30%
Use of Consultants - Non-compliance with Municipal Cost Regulations 2019 5(1)	Supply Chain Management	30 June 2026	The consultants currently appointed for period of three years and at the end of the contract the Municipality would have acquired the necessary skill and would no longer require the services on consultants	40%
Compliance: Conditional grants EPWP	Technical Services	30 June 2024	Timeous and prompt implementation of identified EPWP projects. Reporting on progress and financial performance on the EPWP reporting system. Timeous submission of quarterly evaluation reports as stipulated.	50%
Non-Compliance-Payments not made within 30 days	Budget and Treasury Office	Continuous	Invoices are followed up with user departments to avoid delays	70%
Deviations : The winning provider did not submit a declaration of interest	Supply Chain Management	Continuous	Orders not to be issued when the SCM compliance checklist is not met in full	80%
Consequence management: investigations not concluded	Office of the Municipal Manager	30 June 2024	The municipality to develop and implement a comprehensive plan for improving efficiency or putting in place a measure that will ensure that investigations are concluded within reasonable timeframes within the realm of consequence management	30%
Unauthorised expenditure: Differences identified between the register and AFS	Budget and Treasury Office	Resolved	Discrepancies identified were cleared	100%

MID-TERM ASSESSMENT FOR THE 2023/24

Finding	Responsible Department	Due Date	Action Plan	Implementation Progress %
Unauthorised expenditure: Differences identified between the register and AFS	Budget and Treasury Office	Resolved	Discrepancies identified were cleared	100%
Internal Audit- Non-compliance to IA standard	Internal Audit	31 March 2024	The unit will request for a peer review from Provincial Treasury in Q3 of 2023/24 financial year.	30%
Contract management : No measures in place for monitoring contract performance	Supply Chain Management	Continuous	The Municipality is in a process of appointing contract management officer once the structure review has been approved by council	20%
Deviations : Non-disclosure of SCM deviation in the notes to the financial statements	Supply Chain Management	Resolved	The municipality will continuously review the AFS for inclusion of deviations on the notes	100%
Quotation -Incorrect Calculation of Preference Points	Supply Chain Management	Continuous	Cross casting will be done by the reviewer before signing off of the report	50%
Senior Manager Performance agreements not signed within a month of the start of the financial year.	Performance Management Systems	28 July 2024	Monitoring of signing of performance agreements within a month of the start of the financial year.	60%
Quotations : Awards to persons in service of the state	Supply Chain Management	Continuous	Responses on the MBD 4 will always be compared with CSD to avoid these anomalies	70%
Non-compliance - Review of the Organizational structure	Human Resources Management	30 March 2024	Reviewed organizational structure was presented to the Local Labour Forum for noting. Corporate Support Services Portfolio Committee also noted the reviewed structure and recommended to the Mayoral Committee to note and recommend to Council for approval.	50%

MID-TERM ASSESSMENT FOR THE 2023/24

Finding	Responsible Department	Due Date	Action Plan	Implementation Progress %
Differences identified in the Statement of cash flow	Budget and Treasury Office	Resolved	Discrepancies identified were cleared with AG	100%
Operating cost – Professional services and annual license classified as operating cost	Budget and Treasury Office	Resolved	Discrepancies identified were cleared with AG	100%
Accumulated surplus difference in the amount in the AFS and the TB	Budget and Treasury Office	Resolved	Discrepancies identified were cleared with AG	100%
Bank account not disclosed	Budget and Treasury Office	Resolved	Bank account closed and no longer in use	100%
Use of private emails by bank signatories (Internal Control deficiency)	Budget and Treasury Office	Resolved	Private emails removed	100%
Internal control deficiency - No Performance evaluations & Monitoring conducted for individual employees	Human Resources Management	30 June 2024	PMS is only applicable to senior managers. It is not yet cascaded to other levels of employees. Plans are in place to develop policy that will guide implementation of performance evaluation. Recruitment process of the Human Resources Managers is underway as the relevant manager to oversee this process. Augmentation of the HR unit personnel will greatly assist to address this finding	30%
Remuneration of councillors - No accounting policy Remuneration of councillors	Budget and Treasury Office	30 June 2024	The policy will be developed and included in the 23/24 AFS	30%
Employee related cost - Differences in contributions	Budget and Treasury Office	Resolved	Discrepancies identified were cleared with AG	100%
Employee Related Cost Terminated employees deductions continue	Budget and Treasury Office	Resolved	Discrepancies identified were cleared with AG	100%

MID-TERM ASSESSMENT FOR THE 2023/24

Finding	Responsible Department	Due Date	Action Plan	Implementation Progress %
Remuneration councillors Difference in amounts per the face of the AFS to the amounts disclosed in the note	Budget and Treasury Office	Resolved	Discrepancies were cleared and AFS will be completed on time to allow adequate review	100%
Employee Related cost Overtime No pre-approvals for overtime	Budget and Treasury Office	Continuous	No overtime will be processed without any pre approval. Pre-approval forms have been developed	70%
Non-compliance Revenue: Municipality does not have a tariff policy in place	Budget and Treasury Office	30 June 2024	Tariff policy and procedure have been reviewed to include tariffs on tender documents.	80%
Internal Control Deficiency: Policies not reviewed and updated annually	Human Resources Management, Budget and Treasury and Office of the Municipal Manager	30 June 2024	Plans are in place to review HR Policies and submit to Council for approval. The first batch of HR policies, i.e. Acting Policy, Leave Management Policy, Employee Code of Conduct, fleet management, OHS Policy and overtime policy was submitted to the CSS Portfolio Committee. Policies will be submitted to mayoral committee to note and recommend to council for approval	40%
Internal Control Deficiency-HR Plan not approved	Human Resources Management	30 June 2024	HR Plan to be submitted to the CSS Portfolio Committee enroute to Council for approval by end of Quarter 3 of 2023/24 FY	40%
Non-Compliance: Senior Managers posts not advertised within 14 days after council's approval	Human Resources Management	30 June 2024	Management is committed to complying with the timelines of the regulations. Adherence was done during the advertisement of senior managers posts in December 2023 which was done within the legislated timeline	60%

MID-TERM ASSESSMENT FOR THE 2023/24

Finding	Responsible Department	Due Date	Action Plan	Implementation Progress %
Reoccurrence of Irregular Expenditure & Fruitless and wasteful expenditure	Budget and Treasury Office	Continuous	Irregular: Expired contracts that resulted in irregular expenditure have been advertised. Unauthorized: The use of budget control forms has been strengthened and that no procurement/payment is done without the budget confirmation. Fruitless: Invoices are constantly followed up to avoid interest and penalties.	50%
Non- disclosure of segment reporting information of the current financial year	Budget and Treasury Office	Resolved	Budget and Treasury will continue to disclose segment reporting as required during the 23/24 AFS preparation	100%
Completeness- Revenue from Fines, Penalties and forfeits	Health and Environmental Services	30 June 2024	The Municipality went out on tender to procure HES pre-numbered stationery that will address completeness as raised by AG.	40%
Notes not referenced to the AFS	Budget and Treasury Office	Resolved	AG gave an opportunity correct. The Municipality will further complete AFSs timeously to allow adequate review.	100%
Consequence Management - No Investigations register in place	Office of the Municipal Manager	30 June 2024	The municipality to develop and put in place the investigation register as it relates to consequence management	30%
Risk Management-Non-Compliance with GRAP 104	Budget and Treasury Office	30 June 2024	Budget and Treasury will adhere to the requirements of GRAP 104 on risk management of financial instruments	40%
Limitation of scope for Outstanding RFIs	Office of the Speaker	30 June 2024	Office of the Speaker will communicate the RFIs timeously to Councillors.	50%
No Accounting Policy for Impairment of Non Cash Generating Assets	Budget and Treasury Office	30 June 2024	Accounting policy will be developed and included in the 23/24 annual financial statements	40%

MID-TERM ASSESSMENT FOR THE 2023/24

Finding	Responsible Department	Due Date	Action Plan	Implementation Progress %
Disclosure: Differences identified between Statement of budget & actual and budget approved council ITEC - Information Systems	Budget and Treasury Office	Resolved	Auditor General allowed adjustments	100%
Employee Obligation Difference PEMA Liability and expense as per actuarial report to the amounts as AFS	Office of the Municipal Manager Budget and Treasury Office	30 June 2024 Resolved	Ensuring ongoing monitoring and oversight to mitigate risks and enhance the performance and security of the Information Systems within the institution. Auditor General allowed adjustments	40% 100%
Statement of Comparison of budget and Actual Amounts: Explanation of material differences between budget and actual amounts not presented in the notes.	Budget and Treasury Office	Resolved	Auditor General allowed adjustments	100%
Community Asset: Differences identified between Asset Register and Auditor's recalculations	Budget and Treasury Office	Resolved	Auditor General allowed adjustments	100%
Community Asset - Safeguarding of Asset	Budget and Treasury Office	Continuous	The community assets and insured, and security personnel are put on side to prevent vandalism	100%
De-recognition of Investment Property	Budget and Treasury Office	Resolved	Auditor General allowed adjustments	100%
Internal Control Deficiency-Assets not insured for the 2022-2023 financial Year.	Budget and Treasury Office	Resolved	A service provider was appointed during August 2023 for a period of three years and all Municipal assets are insured	100%

MID-TERM ASSESSMENT FOR THE 2023/24

Finding	Responsible Department	Due Date	Action Plan	Implementation Progress %
Contracted Services - No evidence that goods/services were delivered/rendered	Supply Chain Management	Continuous	Over and above the departmental stamp used by head of departments as confirmation that goods and services are received, the municipality introduced an internal memo, signed by HOD and approved by AMM where the user department confirms that the goods and/or services are received. The memo is applicable to transactions above R30 thousands	100%
Non-compliance with Municipal Planning & Performance Management Regulations	Performance Management Systems	Resolved	Supporting evidence was submitted to AG and the finding was resolved	100%
Number of reports submitted to the accounting officer on inspection of roads infrastructure - Lack of supporting documents	Performance Management Systems	Resolved	Supporting evidence was submitted to AG and the finding was resolved	100%
Number of reports on water quality samples conducted -Lack of supporting evidence	Performance Management Systems	Resolved	Supporting evidence was submitted to AG and the finding remained as the evidence was not sufficient to clear the finding.	100%
AOPO-Number of reports on the development of RRAMS - Inconsistencies between reported performance and supporting documents	Performance Management Systems	Resolved	Supporting evidence was submitted to AG and the finding was resolved	100%

The audit findings as listed in the Post Audit Action Plan were 51 and to date 21 have been resolved or finalised and 30 are in progress.

MID-TERM ASSESSMENT FOR THE 2023/24

Adjustment Budget

Regulation 23 of the Municipal Budget and Reporting Regulations provides, inter alia, for the following:

“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances, only one adjustment budget may be tabled in Council during a financial year.”

A revised Top Layer SDBIP will be submitted with the Adjustments Budget to the Council by 28 February 2024 with the necessary motivation where key performance indicators require adjustment/ amendments as a result of the Adjustments Budget.

PART 5 – CONCLUSION

Based on the above financial, performance assessment as well as progress on the implementation of the 2022/23 Post Audit Action Plan, it is recommended that the municipality adjust its approved 2023/24 Budget, 2023/24 SDBIP and also ensure that there is alignment between the Reviewed 2023/24 IDP, 2023/24 Budget as well as the 2023/24 Service Delivery and Budget Implementation Plan, (SDBIP).



Dr. AJ Mothupi
Acting Municipal Manager