

# Mhlontlo Local Municipality



## In-Year Report of the Municipality

Prepared in terms of the Local Government Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009

## Monthly Budget Statement

**30 September 2020**

**2020/21 Financial Year**

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## Glossary

**Accrual Accounting** – An accounting method that measures the performance and position of the municipality by recognising events regardless of when cash transactions occur.

**Adjustment Budget** – Prescribed in section 28 of the MFMA

**Allocations** – Money received from other Municipalities, Provincial or National Government.

**Budget** – Financial Plan of the Municipality.

**Budget Related Policy** – Policy of a municipality affecting or affected by the budget, examples include credit control policy, rates policy, tariff policy and funding and reserves policy.

**Capital Expenditure** – Expenditure on items such as machinery, buildings, land, infrastructure (roads).

**Cash Flow Statement** – Provides aggregate data regarding all cash inflows the municipality receives from both its ongoing operations and external investment sources, as well as all cash outflows that pay for municipality's activities and investments during a month.

**DORA** – Division of Revenue Act. Annual legislation reflecting total allocations per municipality made by provincial and national governments.

**Equitable Share** – A general grant paid to municipalities predominantly targeted to help with free basic services.

**Fruitless and Wasteful Expenditure** – Expenditure made in vain, that would have been avoided had reasonable care been exercised.

**MBRR** – Local Government Municipal Budget and Reporting Regulations.

**MIG** – Municipal Infrastructure Grant

**MTREF** – Medium Term Revenue and Expenditure Framework.

**Operating Expenditure** – Day to day expenses of the Municipality such as salaries, repairs and maintenance and general expenses.

**Strategic Objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards achieving those objectives.

**Unauthorised Expenditure** – Spending without budget or in excess of the approved budget

**Vote** – A department

## **SECTION 1 – BTO STANDING SUMMARY**

### **1.1 Introduction**

MFMA Section 71 states that the Accounting Officer must within 10 working days of the end of each month, submit a report to the Mayor on the implementation of the budget and the financial state of affairs of the municipality.

Municipal budget regulations sub-heading 2.5 requires that this report must be in the Section 71 of the MFMA format, which requires that this report must be prepared in the following manner:

- Actual Revenue per revenue source;
- Actual expenditure per vote;
- Actual Capital Expenditure per vote;
- The amount of any allocations received,
- Actual Expenditure on allocations received,
- Actual Expenditure on those allocations,
- Where necessary, explanations on:
  - Any material variances from the municipality's projected revenue per source, and from the municipality's expenditure projections per vote.
  - Any material variances from the SDBIP, and
  - Remedial or corrective steps taken or to be taken by the municipality

2. The statement must include: -

- Projections of municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections;

3. The amounts reflected in the statement must in each case be compared with corresponding amounts budgeted for in the municipality's approved budget.

This report has been prepared using the accrual method of accounting. The general idea is that economic events are recognised by matching revenues to expenses (the matching principle) at the time in which the transaction occurs rather than when payment is received or made.

This method allows the current cash inflows/outflows to be combined with future expected cash inflows/outflows to give a more accurate picture of the municipality's current financial position.

## **Table C1- Monthly Budget Statement Summary**

### **Operating Revenue**

In the statement of financial performance, revenue accrued is R109,1 million out of the projected R 66,8 million giving rise to a variance of 39%. Variance contributing factors are explained in the sub headings of the revenue items.

Total cash receipts on operating revenue excluding grants totals to R21,3 million from July to August out of the expected R20,9 million. VAT refunds amounted to R6,8 million since July 2020.

#### *Property Rates*

The amount accrued on rates amounts to R17,2 million, out of the expected R17,2 million.

Total actual cash collected on rates for July to September is R1,0 million.

#### *Refuse Removal*

Amount accrued on refuse removal is R453 thousand against the expected R437 thousand.

Total actual cash received on refuse removal from July to August is R89 thousand out of the expected collection of R437 thousand.

#### *Investment Revenue*

This relates to interests received on the call account deposits. Interest received since July amounts to R841 thousand out of the expected R2,0 million.

#### *Other Revenue*

Rental of facilities and Equipment –R3 thousand has been received instead of the expected R17 thousand.

Fines- R655 thousand has been received so far against the expected R65 thousand.

Licenses and permits- R438 thousand has been received, and the municipality expected to receive R415 thousand.

Agency fees- The amount collected since July amounts to R380 thousand, and the expected budget is R339 thousand.

### **Operating Expenditure**

On operating expenditure, R47,8 million was spent against the expected budget of R80,3 million giving rise to a negative variance of more than R32,4 million. This is because on non-cash items like depreciation and debt impairment that have not been accounted for. The system vendor is assisting the municipality in ensuring that the fixed asset register integrates with the financial management system. This exercise is taking longer than expected.

#### *Employee Costs*

R22,8 million has been spent to date on employee related costs against the expected R26,2 million.

#### *Remuneration of Councillors*

Amount spent since July totals to R4,8 million against the budgeted R4,9 million.

#### *Other Expenditure*

This line item includes all the other operating expenses like accommodation, telephone, electricity etc. Expenditure is R90,4 million against the expected budget of R59,2 million.

### **Capital Expenditure**

On Capital Expenditure the municipality has spent a total of R9,8 million against the expected R23,0 million budget to date. This will be explained more on table C5 where departmental expenditures are reflected.

### **Financial Position**

The municipality's current assets exceed the current liabilities. The municipality's ability to pay its short term liabilities is tested by taking the total current assets and dividing them by current liabilities. This test is mainly used to give an idea of the municipality's ability to pay back its short term liabilities using the current assets.

### **Cash Flows**

The municipality ended the month with a positive cash and cash equivalents balance.

## Table C1- Monthly Budget Statement Summary

The table below reflects on the summary of the total municipality's budget against year to date collections or expenditures.

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	16 375	17 268	17 268	-	17 222	17 222	-		17 268
Service charges	1 743	1 748	1 748	151	453	437	16	4%	1 748
Investment revenue	5 994	8 176	8 176	244	841	2 044	(1 203)	-59%	8 176
Transfers and subsidies	188 991	199 462	236 867	891	90 477	59 217	31 260	53%	236 867
Other own revenue	2 215	3 493	3 493	301	1 526	873	653	75%	3 493
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>215 318</b>	<b>230 147</b>	<b>267 552</b>	<b>1 587</b>	<b>110 518</b>	<b>79 793</b>	<b>30 726</b>	<b>39%</b>	<b>267 552</b>
Employee costs	94 731	104 835	104 835	7 726	22 883	26 209	(3 326)	-13%	104 835
Remuneration of Councillors	19 379	19 634	19 634	1 614	4 896	4 908	(13)	-0%	19 634
Depreciation & asset impairment	56 526	92 095	92 095	-	-	23 024	(23 024)	-100%	92 095
Finance charges	544	-	-	-	11	-	11	#DIV/0!	-
Materials and bulk purchases	3 138	7 798	9 781	133	2 509	2 445	64	3%	9 781
Transfers and subsidies	800	1 436	1 436	-	233	359	(126)	-35%	1 436
Other expenditure	73 298	93 579	93 579	6 621	17 330	23 395	(6 065)	-26%	93 579
<b>Total Expenditure</b>	<b>248 417</b>	<b>319 377</b>	<b>321 361</b>	<b>16 094</b>	<b>47 862</b>	<b>80 340</b>	<b>(32 478)</b>	<b>-40%</b>	<b>321 361</b>
<b>Surplus/(Deficit)</b>	<b>(33 100)</b>	<b>(89 230)</b>	<b>(53 808)</b>	<b>(14 507)</b>	<b>62 657</b>	<b>(547)</b>	<b>63 204</b>	<b>-11546%</b>	<b>(53 808)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	69 320	57 069	57 069	9 165	10 626	14 267	#####	-26%	57 069
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>36 221</b>	<b>(32 161)</b>	<b>3 260</b>	<b>(5 341)</b>	<b>73 282</b>	<b>13 720</b>	<b>59 563</b>	<b>434%</b>	<b>3 260</b>
<b>Surplus/ (Deficit) for the year</b>	<b>36 221</b>	<b>(32 161)</b>	<b>3 260</b>	<b>(5 341)</b>	<b>73 282</b>	<b>13 720</b>	<b>59 563</b>	<b>434%</b>	<b>3 260</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>115 153</b>	<b>92 290</b>	<b>92 290</b>	<b>5 857</b>	<b>9 868</b>	<b>23 073</b>	<b>(13 205)</b>	<b>-57%</b>	<b>92 290</b>
Capital transfers recognised	20 838	56 469	56 079	4 681	10 743	14 020	(3 277)	-23%	56 079
Internally generated funds	(5 475)	35 821	35 821	1 176	3 004	8 955	(5 951)	-66%	35 821
<b>Total sources of capital funds</b>	<b>15 363</b>	<b>92 290</b>	<b>91 900</b>	<b>5 857</b>	<b>13 747</b>	<b>22 975</b>	<b>(9 228)</b>	<b>-40%</b>	<b>91 900</b>
<b>Financial position</b>									
Total current assets	129 567	45 806	81 227		57 001				81 227
Total non current assets	537 892	522 570	522 570		13 859				522 570
Total current liabilities	59 784	60 265	60 265		(1 026)				60 265
Total non current liabilities	-	4 313	4 313		-				4 313
Community wealth/Equity	<b>568 948</b>	<b>471 636</b>	<b>539 219</b>		-				<b>539 219</b>
<b>Cash flows</b>									
Net cash from (used) operating	177 568	277 577	131 537	544	89 974	32 884	(57 090)	-174%	131 537
Net cash from (used) investing	-	(92 290)	(92 290)	-	-	(23 072)	(23 072)	100%	(92 290)
<b>Cash/cash equivalents at the month/year end</b>	<b>277 301</b>	<b>216 225</b>	<b>105 606</b>	<b>-</b>	<b>130 223</b>	<b>76 170</b>	<b>(54 052)</b>	<b>-71%</b>	<b>79 496</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									

Total By Income Source	15 259	573	584	574	1 088	566	44 997	5 835	69 476
<b><u>Creditors Age Analysis</u></b>									
Total Creditors	720	1 406	674	187	12	1	(98)	77	2 979



## Table C2: Statement of Financial Performance by vote

This table reflects the operating budget in the standard classification which are the Government Finance Statistics Functions and Sub-Functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of organisational structures used by different institutions. The main functions are Governance and administration, Community and public safety, Economic and environmental services, and Trading Services. It is for this reason that the financial performance is reported in standard classification, Table C2 and by municipal vote, Table C3.

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		116 785	27 859	142 962	908	62 977	35 741	27 237	76%	142 962
Executive and council		46 652	–	58 682	–	22 359	14 670	7 689	52%	58 682
Finance and administration		70 133	27 859	84 281	908	40 618	21 070	19 548	93%	84 281
<b>Community and public safety</b>		28 650	3 221	35 836	289	13 679	8 959	4 720	53%	35 836
Community and social services		552	–	–	3	3	–	3	#DIV/0!	–
Public safety		28 097	3 221	35 836	286	13 676	8 959	4 717	53%	35 836
<b>Economic and environmental services</b>		116 454	59 507	135 643	4 813	34 842	33 911	932	3%	135 643
Planning and development		114 699	44 207	69 361	4 585	34 383	17 340	17 042	98%	69 361
Road transport		1 755	15 300	66 282	228	460	16 570	(16 111)	-97%	66 282
Environmental protection		–	–	–	–	–	–	–	–	–
<b>Trading services</b>		22 749	196 628	10 180	4 743	8 249	2 545	5 704	224%	10 180
Energy sources		14 070	–	–	4 590	4 590	–	4 590	#DIV/0!	–
Waste management		8 679	196 628	10 180	152	3 659	2 545	1 114	44%	10 180
<b>Other</b>	4	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	2	284 638	287 216	324 621	10 752	119 748	81 155	38 593	48%	324 621
<b>Expenditure - Functional</b>	-									
<b>Governance and administration</b>		115 289	132 210	132 210	8 768	26 886	33 052	(6 167)	-19%	132 210
Executive and council		41 124	44 750	44 750	4 275	11 617	11 187	430	4%	44 750
Finance and administration		74 166	87 460	87 460	4 493	15 269	21 865	(6 596)	-30%	87 460
<b>Community and public safety</b>		27 570	26 482	27 482	3 046	6 305	6 871	(566)	-8%	27 482
Community and social services		1 576	21	1 021	–	–	255	(255)	-100%	1 021
Sport and recreation		56	–	–	–	–	–	–	–	–
Public safety		25 937	26 461	26 461	3 046	6 305	6 615	(311)	-5%	26 461
<b>Economic and environmental services</b>		87 781	135 206	136 189	2 400	8 906	34 047	(25 141)	-74%	136 189
Planning and development		23 509	30 947	31 930	1 335	5 310	7 983	(2 673)	-33%	31 930
Road transport		64 272	104 259	104 259	1 065	3 596	26 065	(22 468)	-86%	104 259
<b>Trading services</b>		17 778	25 479	25 479	1 879	5 765	6 370	(604)	-9%	25 479
Energy sources		–	–	–	–	29	–	29	#DIV/0!	–
Waste management		17 778	25 479	25 479	1 879	5 736	6 370	(634)	-10%	25 479
<b>Total Expenditure - Functional</b>	3	248 417	319 377	321 361	16 094	47 862	80 340	(32 478)	-40%	321 361
<b>Surplus/ (Deficit) for the year</b>		36 221	(32 161)	3 260	(5 341)	71 886	815	71 071	8719%	3 260

## Table C3: Monthly Financial Performance (Revenue and Expenditure by vote)

Operating budget of the institution is approved by council on municipal vote level. The municipal votes are Mayor's Office, Council, Municipal Manager, Budget and Treasury Office, Corporate Services, Local Economic Development, Community Services, and Infrastructure and Development.

Unauthorised expenditure occurs if the total budget in a vote is exceeded by expenditure. The BTO Standing and council vote is overspending.

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL (11: IE)		55 126	–	69 328	–	26 416	17 332	9 084	52.4%	69 328
Vote 2 - FINANCE AND ADMIN (12: IE)		69 597	27 859	84 281	911	40 621	21 070	19 551	92.8%	84 281
Vote 3 - PLANNING AND DEVELOPMENT (13: IE)		11 875	240	14 748	10	5 582	3 687	1 895	51.4%	14 748
Vote 4 - COMMUNITY AND SOCIAL SERVICES (15: IE)		19	32	32	1	5	8	(3)	-33.2%	32
Vote 5 - PUBLIC SAFETY (17: IE)		28 647	3 221	35 836	286	13 676	8 959	4 717	52.7%	35 836
Vote 6 - SPORT AND RECREATION (18: IE)		–	–	–	–	–	–	–	–	–
Vote 7 - WASTE MANAGEMENT (20: IE)		8 660	196 597	10 148	151	3 653	2 537	1 116	44.0%	10 148
Vote 8 - WASTE WATER MANAGEMENT (21: IE)		–	–	–	–	–	–	–	–	–
Vote 9 - ROAD MANAGEMENT (22: IE)		110 185	59 267	110 249	9 393	31 285	27 562	3 723	13.5%	110 249
Vote 10 - OTHER (25: IE)		–	–	–	–	–	–	–	–	–
<b>Total Revenue by Vote</b>	2	<b>284 109</b>	<b>287 216</b>	<b>324 621</b>	<b>10 752</b>	<b>121 238</b>	<b>81 155</b>	<b>40 083</b>	<b>49.4%</b>	<b>324 621</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL (11: IE)		47 233	55 541	55 541	4 636	12 530	13 885	(1 355)	-9.8%	55 541
Vote 2 - FINANCE AND ADMIN (12: IE)		73 135	81 874	81 874	4 225	14 823	20 468	(5 646)	-27.6%	81 874
Vote 3 - PLANNING AND DEVELOPMENT (13: IE)		13 273	19 333	20 317	974	3 728	5 079	(1 351)	-26.6%	20 317
Vote 4 - COMMUNITY AND SOCIAL SERVICES (15: IE)		1 673	520	520	–	–	130	(130)	-100.0%	520
Vote 5 - PUBLIC SAFETY (17: IE)		22 894	25 144	25 144	3 045	6 322	6 286	36	0.6%	25 144
Vote 6 - SPORT AND RECREATION (18: IE)		–	–	–	–	–	–	–	–	–
Vote 7 - WASTE MANAGEMENT (20: IE)		20 890	26 632	26 632	1 904	5 886	6 658	(772)	-11.6%	26 632
Vote 8 - WASTE WATER MANAGEMENT (21: IE)		–	–	–	–	–	–	–	–	–
Vote 9 - ROAD MANAGEMENT (22: IE)		69 320	110 333	110 333	1 310	4 573	27 583	(23 010)	-83.4%	110 333
Vote 10 - OTHER (25: IE)		–	–	–	–	–	–	–	–	–
<b>Total Expenditure by Vote</b>	2	<b>248 417</b>	<b>319 377</b>	<b>320 361</b>	<b>16 094</b>	<b>47 862</b>	<b>80 090</b>	<b>(32 228)</b>	<b>-40.2%</b>	<b>320 361</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>35 692</b>	<b>(32 161)</b>	<b>4 260</b>	<b>(5 341)</b>	<b>73 377</b>	<b>1 065</b>	<b>72 311</b>	<b>6788.8%</b>	<b>4 260</b>

## Table C4- Statement of Financial Performance

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		16 375	17 268	17 268	–	17 222	17 222	–		17 268
Service charges - refuse revenue		1 743	1 748	1 748	151	453	437	16	4%	1 748
Rental of facilities and equipment		49	68	68	3	3	17	(14)	-80%	68
Interest earned - external investments		5 994	8 176	8 176	244	841	2 044	(1 203)	-59%	8 176
Interest earned - outstanding debtors		1 165	–	–	–	–	–	–		–
Dividends received		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		643	261	261	10	655	65	589	902%	261
Licences and permits		1 269	1 659	1 659	156	438	415	24	6%	1 659
Agency services		871	1 355	1 355	129	380	339	41	12%	1 355
Transfers and subsidies		188 991	199 462	236 867	891	90 477	59 217	31 260	53%	236 867
Other revenue		(107)	150	150	3	50	38	12	33%	150
Gains		(1 674)	–	–	–	–	–	–		–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>215 318</b>	<b>230 147</b>	<b>267 552</b>	<b>1 587</b>	<b>110 518</b>	<b>79 793</b>	<b>30 726</b>	<b>39%</b>	<b>267 552</b>
<b>Expenditure By Type</b>										
Employee related costs		94 731	104 835	104 835	7 726	22 883	26 209	(3 326)	-13%	104 835
Remuneration of councillors		19 379	19 634	19 634	1 614	4 896	4 908	(13)	0%	19 634
Debt impairment		19 445	6 812	6 812	–	–	1 703	(1 703)	-100%	6 812
Depreciation & asset impairment		56 526	92 095	92 095	–	–	23 024	(23 024)	-100%	92 095
Finance charges		544	–	–	–	11	–	11	#DIV/0!	–
Bulk purchases		–	–	–	–	–	–	–		–
Other materials		3 138	7 798	9 781	133	2 509	2 445	64	3%	9 781
Contracted services		20 462	30 191	30 191	4 539	8 382	7 548	835	11%	30 191
Transfers and subsidies		800	1 436	1 436	–	233	359	(126)	-35%	1 436
Other expenditure		33 391	56 577	56 577	2 082	8 948	14 144	(5 196)	-37%	56 577
Losses		–	–	–	–	–	–	–		–
<b>Total Expenditure</b>		<b>248 417</b>	<b>319 377</b>	<b>321 361</b>	<b>16 094</b>	<b>47 862</b>	<b>80 340</b>	<b>(32 478)</b>	<b>-40%</b>	<b>321 361</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		69 320	57 069	57 069	9 165	10 626	14 267	(3 641)	(0)	57 069
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–		–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>36 221</b>	<b>(32 161)</b>	<b>3 260</b>	<b>(5 341)</b>	<b>73 282</b>	<b>13 720</b>			<b>3 260</b>
Taxation		–	–	–	–	–	–	–		–
<b>Surplus/(Deficit) after taxation</b>		<b>36 221</b>	<b>(32 161)</b>	<b>3 260</b>	<b>(5 341)</b>	<b>73 282</b>	<b>13 720</b>			<b>3 260</b>
Attributable to minorities		–	–	–	–	–	–	–		–
<b>Surplus/(Deficit) attributable to municipality</b>		<b>36 221</b>	<b>(32 161)</b>	<b>3 260</b>	<b>(5 341)</b>	<b>73 282</b>	<b>13 720</b>			<b>3 260</b>
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–		–
<b>Surplus/ (Deficit) for the year</b>		<b>36 221</b>	<b>(32 161)</b>	<b>3 260</b>	<b>(5 341)</b>	<b>73 282</b>	<b>13 720</b>			<b>3 260</b>

**Table C5: Capital Expenditure (Municipal Vote, standard classification, and funding)**

Year to date budget is R23,0 million whilst expenditure is sitting at R9,8 million.

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Single Year expenditure appropriation</b>	2									
Vote 11 - EXECUTIVE AND COUNCIL (31: CS)		-	-	-	-	-	-	-	-	-
Vote 12 - FINANCE AND ADMIN (32: CS)		28	8 890	8 890	-	156	2 223	(2 066)	-93%	8 890
Vote 13 - PLANNING AND DEVELOPMENT (33: CS)		4 703	552	552	-	479	138	341	247%	552
Vote 14 - PUBLIC SAFETY (37: CS)		-	858	858	-	-	215	(215)	-100%	858
Vote 15 - WASTE MANAGEMENT (40: CS)		783	3 000	3 000	261	261	750	(489)	-65%	3 000
Vote 16 - ROAD TRANSPORT (42: CS)		109 639	78 990	78 990	5 596	8 972	19 747	(10 775)	-55%	78 990
<b>Total Capital single-year expenditure</b>	4	115 153	92 290	92 290	5 857	9 868	23 073	(13 205)	-57%	92 290
<b>Total Capital Expenditure</b>		115 153	92 290	92 290	5 857	9 868	23 073	(13 205)	-57%	92 290
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		28	8 890	8 890	-	156	2 223	(2 066)	-93%	8 890
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		28	8 890	8 890	-	156	2 223	(2 066)	-93%	8 890
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	858	858	-	-	215	(215)	-100%	858
Public safety		-	858	858	-	-	215	(215)	-100%	858
<b>Economic and environmental services</b>		100 951	64 242	64 242	5 596	13 443	16 060	(2 618)	-16%	64 242
Planning and development		62 750	34 273	34 663	3 627	6 288	8 666	(2 378)	-27%	34 663
Road transport		38 201	29 968	29 578	1 970	7 155	7 395	(240)	-3%	29 578
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		14 390	18 300	18 300	261	261	4 575	(4 314)	-94%	18 300
Energy sources		13 608	15 300	15 300	-	-	3 825	(3 825)	-100%	15 300
Waste management		783	3 000	3 000	261	261	750	(489)	-65%	3 000
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	115 369	92 290	92 290	5 857	13 859	23 073	(9 213)	-40%	92 290
<b>Funded by:</b>										
National Government		20 838	56 469	56 079	4 681	10 743	14 020	(3 277)	-23%	56 079
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		20 838	56 469	56 079	4 681	10 743	14 020	(3 277)	-23%	56 079
		-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		(5 475)	35 821	35 821	1 176	3 004	8 955	(5 951)	-66%	35 821
<b>Total Capital Funding</b>		15 363	92 290	91 900	5 857	13 747	22 975	(9 228)	-40%	91 900

**Table C6: Statement of Financial Position**

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		99 733	30 937	66 359	40 249	66 359
Call investment deposits		10	–	–	(0)	–
Consumer debtors		1 871	4 231	4 231	12 347	4 231
Other debtors		27 953	10 637	10 637	3 702	10 637
Current portion of long-term receivables		–	–	–	–	–
Inventory		–	–	–	704	–
<b>Total current assets</b>		<b>129 567</b>	<b>45 806</b>	<b>81 227</b>	<b>57 001</b>	<b>81 227</b>
<b>Non-current assets</b>						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		32 263	31 772	31 772	–	31 772
Investments in Associate		–	–	–	–	–
Property, plant and equipment		507 246	489 019	489 019	13 859	489 019
Biological		–	–	–	–	–
Intangible		(1 827)	1 568	1 568	–	1 568
Other non-current assets		211	211	211	–	211
<b>Total non-current assets</b>		<b>537 892</b>	<b>522 570</b>	<b>522 570</b>	<b>13 859</b>	<b>522 570</b>
<b>TOTAL ASSETS</b>		<b>667 459</b>	<b>568 375</b>	<b>603 797</b>	<b>70 860</b>	<b>603 797</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>	-					
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		–	–	–	–	–
Trade and other payables		20 786	16 969	16 969	(816)	16 969
Provisions		38 998	43 296	43 296	(211)	43 296
<b>Total current liabilities</b>		<b>59 784</b>	<b>60 265</b>	<b>60 265</b>	<b>(1 026)</b>	<b>60 265</b>
<b>Non-current liabilities</b>						
Borrowing		–	758	758	–	758
Provisions		–	3 555	3 555	–	3 555
<b>Total non-current liabilities</b>		<b>–</b>	<b>4 313</b>	<b>4 313</b>	<b>–</b>	<b>4 313</b>
<b>TOTAL LIABILITIES</b>		<b>59 784</b>	<b>64 578</b>	<b>64 578</b>	<b>(1 026)</b>	<b>64 578</b>
<b>NET ASSETS</b>	2	<b>607 675</b>	<b>503 798</b>	<b>539 219</b>	<b>71 886</b>	<b>539 219</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		568 948	471 636	539 219	–	539 219
Reserves		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>568 948</b>	<b>471 636</b>	<b>539 219</b>	<b>–</b>	<b>539 219</b>

## Table C7: Cash flow

The table below reflects no problems in the cash flows of the institution.

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		13	8 547	8 547	–	–	2 137	(2 137)	-100%	8 547
Service charges		(30)	830	830	–	–	208	(208)	-100%	830
Other revenue		(3 143)	3 493	3 493	301	1 503	873	630	72%	3 493
Transfers and Subsidies - Operational		145 090	197 264	232 269	–	87 630	58 067	29 563	51%	232 269
Transfers and Subsidies - Capital		29 650	59 267	59 267	–	–	14 817	(14 817)	-100%	59 267
Interest		5 987	8 176	8 176	244	841	2 044	(1 203)	-59%	8 176
Dividends		–	–	–	–	–	–	–		–
<b>Payments</b>										
Suppliers and employees		–	–	(181 046)	–	–	(45 261)	(45 261)	100%	(181 046)
Finance charges		–	–	–	–	–	–	–		–
Transfers and Grants		–	–	–	–	–	–	–		–
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>177 568</b>	<b>277 577</b>	<b>131 537</b>	<b>544</b>	<b>89 974</b>	<b>32 884</b>	<b>(57 090)</b>	<b>-174%</b>	<b>131 537</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
<b>Payments</b>										
Capital assets		–	(92 290)	(92 290)	–	–	(23 072)	(23 072)	100%	(92 290)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>–</b>	<b>(92 290)</b>	<b>(92 290)</b>	<b>–</b>	<b>–</b>	<b>(23 072)</b>	<b>(23 072)</b>	<b>100%</b>	<b>(92 290)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
<b>Payments</b>										
Repayment of borrowing		–	–	–	–	–	–	–		–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>–</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>177 568</b>	<b>185 288</b>	<b>39 247</b>	<b>544</b>	<b>89 974</b>	<b>9 812</b>			<b>39 247</b>
Cash/cash equivalents at beginning:		99 733	30 937	66 359		40 249	66 359			40 249
Cash/cash equivalents at month/year end:		277 301	216 225	105 606		130 223	76 170			79 496

## PART 2: SUPPORTING DOCUMENTATION

### Table SC1: Material Variances and explanations

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<b>Revenue By Source</b>			
	Rental of facilities and equipment	-80%	The need for rental of halls has reduced because of COVID-19	Reduce revenues downwards
	Interest earned - external investments	-59%	More funds from investment accounts were utilised in the first quarter	Reduce revenues downwards
	Interest earned - outstanding debtors			
	Dividends received			
	Fines, penalties and forfeits	902%	Collection on traffic fines has increased	Adjust revenues upwards
	Licences and permits	6%		
	Agency services	12%	More license fees received as a result of the backlog	Adjust revenues upwards
	Transfers and subsidies	50%	Under estimation on budgeted grants' projections	Correct projections in adjustment budget
	Other revenue	33%	Improved collection on pound fees	Adjust revenues upwards
	Gains			
2	<b>Expenditure By Type</b>			
	Employee related costs	-13%		
	Remuneration of councillors	0%		
	Debt impairment	-100%	Non-cash item	
	Depreciation & asset impairment	-100%	Non-cash item	
	Finance charges	#DIV/0!		
	Bulk purchases			
	Other materials	3%		
	Contracted services	11%		
	Transfers and subsidies	-35%		
	Other expenditure	-37%		
3	<b>Capital Expenditure</b>			
	Vote 12 - FINANCE AND ADMIN (32: CS)	-93%	Tenders at adjudication stage	Close monitoring of the sitting of committees
	Vote 13 - PLANNING AND DEVELOPMENT (33: CS)	247%	Supply of capital assets a once off acquisitions	Close monitoring of the sitting of committees
	Vote 14 - PUBLIC SAFETY (37: CS)	-100%	Procurement processes not yet initiated	Close monitoring of the sitting of committees
	Vote 15 - WASTE MANAGEMENT (40: CS)	-65%	Tenders at adjudication stage	Close monitoring of the sitting of committees
	Vote 16 - ROAD TRANSPORT (42: CS)	-55%	Tenders at adjudication stage	Close monitoring of the sitting of committees

## Table SC3: Aged Debtors

The municipality is being owed a total amount of R63,6 million of which the biggest portion is on households with R29,6 million being owed by this group of debtors. The second biggest is businesses that are sitting at R20,3 million. The government debtors owing just over R13,6 million.

Employees are owing an amount of R5,8 million as a result of the 2,5% overpayment.

Legal services that were requested at the beginning of the financial year are not yielding any result in terms of recovering long outstanding debt.

Description	NT Code	Budget Year 2020/21									Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
<b>R thousands</b>												
<b>Debtors Age Analysis By Income Source</b>												
Receivables from Non-exchange Transactions - Property Rates	1400	15						35		52	36	
Receivables from Exchange Transactions - Waste Management	1600	111	429	442	437	952	431	136	-	939	957	
Other	1900	148	143	142	137	136	135	9 861	-	702	10	
		-	-	-	-	-	-	-	5 835	5 835	269	
<b>Total By Income Source</b>	<b>2000</b>	<b>15</b>	<b>259</b>	<b>573</b>	<b>584</b>	<b>574</b>	<b>1 088</b>	<b>566</b>	<b>44</b>	<b>69</b>	<b>53</b>	
		<b>259</b>	<b>573</b>	<b>584</b>	<b>574</b>	<b>1 088</b>	<b>566</b>	<b>997</b>	<b>5 835</b>	<b>476</b>	<b>060</b>	
<b>2019/20 - totals only</b>		0	0	0	0	0	0	0	0	-	-	
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	2200	7 890	17	31	17	23	16	5 664	-	13	5 720	
Commercial	2300	3 157	175	174	168	171	165	292	-	657	16	
Households	2400	4 212	381	379	389	894	385	23	-	20	796	
Other	2500	-	-	-	-	-	-	041	-	29	24	
		-	-	-	-	-	-	-	5 835	682	709	
<b>Total By Customer Group</b>	<b>2600</b>	<b>15</b>	<b>259</b>	<b>573</b>	<b>584</b>	<b>574</b>	<b>1 088</b>	<b>566</b>	<b>44</b>	<b>69</b>	<b>53</b>	
		<b>259</b>	<b>573</b>	<b>584</b>	<b>574</b>	<b>1 088</b>	<b>566</b>	<b>997</b>	<b>5 835</b>	<b>476</b>	<b>060</b>	



## Table SC4: Aged Creditors

Description R thousands	NT Code	Budget Year 2020/21								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
<b>Creditors Age Analysis By Customer Type</b>										
Trade Creditors	0700	289	165	674	(4)	12	1	(141)	82	1 077
Auditor General	0800	400	1 241	–	191	–	–	43	(5)	1 870
Other	0900	32	–	–	–	–	–	–	–	32
<b>Total By Customer Type</b>	<b>1000</b>	<b>720</b>	<b>1 406</b>	<b>674</b>	<b>187</b>	<b>12</b>	<b>1</b>	<b>(98)</b>	<b>77</b>	<b>2 979</b>

## Table SC5: Investment Portfolio Analysis

All the call deposits are highly liquid short-term investments and are held for the purpose of meeting short-term commitments rather than the purpose of earning a return (interest).

The table below reflects on account balances as at the end of the first quarter of 2021. Total cash available was R136,7 million.

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment	Interest Rate <sup>a</sup>	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months							
<b>Municipality</b>									
20-FNB		1	0.0515	Call Account Call Account	6	294	(44 701)	87 630	43 230
23-FNB		1	0.065	Call Account	–	16	–	5 800	5 816
24-FNB		1	0.055	Call Account	565	3	(6)	2	564
25-FNB		1	0.0365	Call Account	1 198	6	(6)	–	1 198
30-FNB		1	0.0455	Call Account	1 462	7	(7)	–	1 462
31-FNB		1	0.0515	Call Account	68 510	375	(375)	11 215	79 725
32-FNB		0	0.055	Call Account	12 520	55	(17 449)	9 612	4 738
33-FNB		0	0.0515	Call Account	735	4	(4)	–	136 733
34-FNB		0	0.0515	Call Account	9	0	(0)	–	
35-FNB		0	0.0325	Call Account	58	0	(0)	–	
36-FNB		1	0	Call Account	10	–	–	–	10
<b>Entities sub-total</b>					<b>10</b>		<b>–</b>	<b>–</b>	<b>10</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>				<b>745</b>		<b>(4)</b>	<b>–</b>	<b>136 743</b>

## Table SC6: Grants Receipts

All grants that were expected since July were received. The table below reflects on individual grants received.

GRANTS RECEIVED	BUDGET	JULY	AUGUST	SEPTEMBER	TOTAL RECEIVED
EQUITABLE SHARE	229 982 000.00	87 630 000.00	-	-	<b>87 630 000.00</b>
Municipal Infrastructure Grant	43 967 000.00	9 612 000.00	-	-	<b>9 612 000.00</b>
MSIG	1 848 000.00	-	-	-	-
EPWP	1 787 000.00	-	447 000.00	-	<b>447 000.00</b>
Finance Management Grant	2 400 000.00	-	2 400 000.00	-	<b>2 400 000.00</b>
Electrification Program	15 300 000.00	-	5 800 000.00	-	<b>5 800 000.00</b>
<b>TOTAL GRANTS</b>	<b>295 284 000.00</b>	<b>97 242 000.00</b>	<b>8 647 000.00</b>	<b>-</b>	<b>105 889 000.00</b>

## Table SC7: Grants expenditure

The table below reflects on grants' expenditures since July. Also, these amounts are inclusive of VAT.

Description	Departments	Opening Balance	Receipts	Expenditure	Closing Balance
<b>FMG</b>		<b>2 065 428.77</b>		<b>640 011.43</b>	<b>1 425 417.34</b>
Asset Verification	BTO			593 256.25	
Interns Salaries	BTO			46 755.18	
<b>INEP</b>		<b>5 898 796.59</b>		<b>4 590 328.44</b>	<b>1308468.151</b>
Electrification Programme	Roads Transport			4 590 328.44	
<b>MIG</b>		<b>6 696 875.05</b>		<b>4 575 165.25</b>	<b>2 121 709.80</b>
Sport Field	PMU			587 818.52	
Construction of Gugululu access road	PMU			445 405.26	
Professional fees of Mthonyameni-Mqobiso access road	PMU			807 519.83	
Professional fees of Tsolo bulk storm water project	PMU			1 212 896.10	
Construction of Debeza access road	PMU			99 170.98	
Construction of Mhlangala access road	PMU			1 101 944.24	
PMU SALARIES	PMU			320 410.32	
<b>LIBRARY SUBSIDIES</b>	Traffic	<b>568 899.93</b>		<b>237 583.34</b>	<b>331 316.59</b>
Installation of burglar proofing of Tsolo library				195 800.00	
Supply of plasma tv and dvd player for library				30 000.00	
<b>SALARIES</b>				<b>11 783.34</b>	
<b>EPWP</b>	Roads Transport	<b>27 682.40</b>		<b>227 794.70</b>	<b>(200 112.30)</b>
Casuals- EPWP				227 794.70	

EPWP (DEDEAT)		529 042.35			529 042.35
QUMBU PILOT HOUSING		62 525.00		-	62 525.00
GQUNU LOTS		695 106.05		-	695 106.05
O R TAMBO		45 904.60		-	45 904.60
		16 590 260.74	-	10 270 883.16	6 319 377.58

## Table SC8: Councillor and Staff benefits

The table below reflects on councillor's benefits, senior managers and other municipal staff.  
Total amount spent on salaries since July is R27,7 million.

Summary of Employee and Councillor remuneration  R thousands	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		13 580	14 367	14 367	1 151	3 487	3 592	(105)	-3%	14 367
Cellphone Allowance		2 257	2 076	2 076	185	562	519	43	8%	2 076
Other benefits and allowances		3 542	3 192	3 192	278	847	798	49	6%	3 192
<b>Sub Total - Councillors</b>		<b>19 379</b>	<b>19 634</b>	<b>19 634</b>	<b>1 614</b>	<b>4 896</b>	<b>4 908</b>	<b>(13)</b>	<b>0%</b>	<b>19 634</b>
<b>% increase</b>	4		<b>1.3%</b>	<b>1.3%</b>						<b>1.3%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		7 435	9 306	9 306	411	1 434	2 326	(892)	-38%	9 306
Pension and UIF Contributions		648	700	700	48	146	175	(29)	-17%	700
Medical Aid Contributions		212	169	169	16	51	42	8	20%	169
Performance Bonus		407	600	600	24	143	150	(7)	-5%	600
Motor Vehicle Allowance		2 575	2 929	2 929	223	684	732	(48)	-7%	2 929
Cellphone Allowance		139	85	85	8	23	21	1	7%	85
Housing Allowances		309	657	657	18	62	164	(102)	-62%	657
Other benefits and allowances		(931)	1	1	0	0	0	0	13%	1
<b>Sub Total - Senior Managers of Municipality</b>		<b>10 794</b>	<b>14 447</b>	<b>14 447</b>	<b>749</b>	<b>2 543</b>	<b>3 612</b>	<b>(1 068)</b>	<b>-30%</b>	<b>14 447</b>
<b>% increase</b>	4		<b>33.8%</b>	<b>33.8%</b>						<b>33.8%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		52 510	60 990	60 990	4 282	13 033	15 248	(2 215)	-15%	60 990
Pension and UIF Contributions		7 110	7 998	7 998	565	1 713	2 000	(287)	-14%	7 998
Medical Aid Contributions		5 251	4 619	4 619	439	1 339	1 155	184	16%	4 619
Overtime		2 575	1 553	1 553	294	755	388	366	94%	1 553
Performance Bonus		2 846	3 528	3 528	510	780	882	(102)	-12%	3 528
Motor Vehicle Allowance		8 042	8 465	8 465	592	1 825	2 116	(291)	-14%	8 465
Cellphone Allowance		605	478	478	42	127	120	7	6%	478
Housing Allowances		2 749	2 330	2 330	228	677	582	95	16%	2 330
Other benefits and allowances		69	112	112	10	30	28	2	7%	112
Payments in lieu of leave		1 616	-	-	-	-	-	-	-	-
Long service awards		563	314	314	17	61	78	(17)	-22%	314
<b>Sub Total - Other Municipal Staff</b>		<b>83 937</b>	<b>90 388</b>	<b>90 388</b>	<b>6 977</b>	<b>20 339</b>	<b>22 597</b>	<b>(2 258)</b>	<b>-10%</b>	<b>90 388</b>
<b>% increase</b>	4		<b>7.7%</b>	<b>7.7%</b>						<b>7.7%</b>
<b>Total Parent Municipality</b>		<b>114 111</b>	<b>124 469</b>	<b>124 469</b>	<b>9 340</b>	<b>27 779</b>	<b>31 117</b>	<b>(3 339)</b>	<b>-11%</b>	<b>124 469</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>			<b>9.1%</b>	<b>9.1%</b>						<b>9.1%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>114 111</b>	<b>124 469</b>	<b>124 469</b>	<b>9 340</b>	<b>27 779</b>	<b>31 117</b>	<b>(3 339)</b>	<b>-11%</b>	<b>124 469</b>
<b>% increase</b>	4		<b>9.1%</b>	<b>9.1%</b>						<b>9.1%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>94 731</b>	<b>104 835</b>	<b>104 835</b>	<b>7 726</b>	<b>22 883</b>	<b>26 209</b>	<b>(3 326)</b>	<b>-13%</b>	<b>104 835</b>

# QUALITY CERTIFICATE

I, \_\_\_\_\_ (Full Names), the Municipal Manager of Mhlontlo Municipality hereby certify that the **Section 71 Report** for the period ended 30 September 2020 has been prepared in accordance with the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the Act.

\_\_\_\_\_  
S.G. Sotshongaye

MUNICIPAL MANAGER

\_\_\_\_\_  
DATE

# RECEIPT BY THE MAYOR

I, \_\_\_\_\_ (Full Names), the Mayor of **Mhlontlo Local Municipality**, hereby accept the **Section 71 report** of the municipality for the month ended 30 September 2020 as presented by the Municipal Manager in terms of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the Act.

\_\_\_\_\_  
Cllr. N. Dywili

MAYOR

\_\_\_\_\_  
DATE

