

## **ITEM 29**

*Section 80 Finance*

### **BUDGET AND TREASURY OFFICE: 2020/2021 QUARTERLY FINANCIAL REPORT FOR THE QUARTER ENDING 30 SEPTEMBER 2021**

**5/1**

#### **PURPOSE**

The purpose of this report is to inform the Mayoral Committee Meeting about the Financial Status quo of the West Rand District Municipality and to comply with Section 52(d) of the Municipal Finance Management Act and the requirements as promulgated in the Government Gazette No 32141 dated 17 April 2009.

#### **INTRODUCTION**

The Executive Mayor, must provide general political guidance over the fiscal and financial affairs of the WRDM, is required by Section 52(d) of the Municipal Finance Management Act, to submit a report on the implementation of the budget and the financial state of affairs of the WRDM, to council within 30 days after the end of each quarter.

#### **FINANCIAL PERSPECTIVE**

No financial implications

#### **ANNEXURE**

Attached as *Annexure* is the quarterly financial report ending 30 September 2021.

#### **RECOMMENDATIONS THAT:**

1. In terms of the Municipal Finance Management Act, 2003 (Act no 56 of 2003), cognisance be taken of the Quarterly Financial Report of the District Municipality for the quarter ending 30 September 2021.
2. In terms of the Municipal Finance Management Act, 2003 (Act no. 56 of 2003), cognisance be taken of the Quarterly report on salaries and wages of the District Municipality for the quarter ending 30 September 2021.
3. In terms of the Municipal Finance Management Act, 2003 (Act no 56 of 2003), cognisance be taken of the Quarterly Report on withdrawals of the District Municipality y for the quarter ending 30 September 2021.

**1R,1P,1A,1S**  
1 REGION, 1 PLAN, 1 ACTION  
1 SYSTEM



REPOSITIONING THE **WEST RAND** FOR A BETTER LIFE FOR ALL



West Rand  
District Municipality

# 2021/22 QUARTERLY FINANCIAL REPORT

30 September 2021

## Contents

1	INTRODUCTION.....	6
1.1.	PURPOSE.....	6
1.2.	STRATEGIC OBJECTIVE .....	6
1.3.	BACKGROUND.....	6
2	STATEMENT OF FINANCIAL PERFORMANCE.....	7
2.1	TABLE 1: SUMMARY OF THE OPERATIONAL BUDGET PERFORMANCE.....	7
2.2	Table 2: FINANCIAL PERFORMANCE (INCOME AND EXPENDITURE BY MUNICIPAL VOTE) .....	8
2.3	Table 3: FINANCIAL PERFORMANCE REVENUE BY TYPE.....	9
2.4	Table 4: GRANTS RECEIVED BY THE MUNICIPALITY FOR THE MONTH ENDED 30 September 2021 10	
	Chart 1: QUARTERLY Revenue Performance.....	11
	Chart 2: Total Revenue by Source.....	11
2.5	Table 6: FINANCIAL PERFORMANCE EXPENDITURE BY TYPE.....	12
	Chart 2: QUARTERLY Expenditure Performance .....	14
	Chart 4: Total Expenditure by Source .....	14
4	DEBTORS AND CREDITORS .....	15
3.1	TABLE 7: DEBTORS AGE ANALYSIS - MONTH ENDED 30 September 2021 .....	15
3.2	TABLE 8: CREDITORS AGE ANALYSIS - MONTH ENDED 30 September 2021 .....	15
5	SUMMARY OF CAPITAL BUDGET.....	18
5.1	CAPITAL BUDGET PERFORMANCE FOR THE ENDED 30 September 2021.....	18
5.2	CASH FLOW - MONTH ENDED 30 September 2021 .....	19
5.3	SHORT TERM INVESTMENT AND RESERVE FOR THE MONTH ENDED 30 September 2021 .....	19
6	FINANCIAL POSITION.....	21
6.1	FINANCIAL POSITION FOR THE MONTH ENDED 30 September 2021.....	21
7	STAFF EXPENDITURE REPORT.....	22
7.1	KEY DATA: HUMAN RESOURCES.....	22
7.2	Table 15: COUNCILLORS AND STAFF BENEFITS.....	22
7.3	COUNCILLORS REMUNERATION.....	24
7.4	QUARTERLY CONSOLIDATED REPORT ON WITHDRAWAL.....	24

## **IN-YEAR BUDGET STATEMENT TABLES: MONTH ENDED 30 September 2021**

The financial results for the month ended 30 September 2021 are attached and consists of the following tables:

### **MBRR TABLES:**

- 1) Table C3: Quarterly Budget Statement - Financial Performance (Revenue and Expenditure by Municipal vote)
- 2) Table C4: Quarterly Budget Statement – Financial Performance (Revenue and Expenditure)
- 3) Table C5: Quarterly Budget Statement – Capital Expenditure by vote, standard classification and funding
- 4) Table C6: Quarterly Budget Statement – Financial Position
- 5) Table C7: Quarterly Budget Statement – Cash Flow
- 6) Table SC3: Quarterly Budget Statement – Aged Debtors
- 7) Table SC4: Quarterly Budget Statement – Aged Creditors
- 8) Table SC5: Quarterly Budget Statement – Investment Portfolio
- 9) Table SC7: Quarterly Budget Statement – Transfer and grant expenditures
- 10) Table SC8: Quarterly Budget Statement – Councillor and staff benefits
- 11) Table SC13c: Quarterly Budget Statement – Repairs and Maintenance
- 12) Table 16: Councillors remuneration
- 13) Table 17 : Quarterly Consolidated Report on Withdrawals

## Abbreviations

<b>CCTV:</b>	Closed Circuit Television
<b>EPWP:</b>	Expanded public works programme
<b>YTD:</b>	Year to date
<b>LG SETA:</b>	Local Government Sector Education and Training Authority
<b>GDARD:</b>	Gauteng Department of Agriculture and Rural Development
<b>MMC:</b>	Member of Mayoral Committee
<b>FMG:</b>	Financial Management Grant
<b>NDPG:</b>	Neighbourhood development partnership grant
<b>MFMA:</b>	Municipal Finance Management Act
<b>MSIG:</b>	Municipal Systems Improvement Grant
<b>MWIG:</b>	Municipal water infrastructure grant
<b>WRDM:</b>	West Rand District Municipality
<b>WRDA:</b>	West Rand Development Agency

# 1 INTRODUCTION

## 1.1. PURPOSE

The purpose of this report is to inform the Section 80 Finance portfolio committee about the Financial Status quo of West Rand District Municipality and to comply with **Section 52 (d) of the MFMA** and the requirements as promulgated in the Government Gazette No 32141 of 17th April 2009.

## 1.2. STRATEGIC OBJECTIVE

The application of sound financial management principles for the compilation of West Rand District Municipality financial plan is essential and critical to ensure that the municipality remains financially viable and those sustainable municipal services are provided economically and equitably to all communities.

## 1.3. BACKGROUND

Sections of the MFMA and in terms of Section 28 of the Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 2003 Municipal Budget and Regulations” necessitates that specific financial particulars be reported on and in the format prescribed.

**Sections 52 (d) of the MFMA states that the Mayor of the Municipality must within 30 days of the end of each month submit a report to the Council on the implementation of the budget and the financial states of the affairs of the municipality**

“Section 71 (1) of the MFMA states that, the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality’s budget reflecting the following particulars for that month and for the financial year up to the end of that month.”

“Section 28 of the Government Notice 32141, the monthly budget statement of a municipality must be in the format specified in Schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.”

## 2 STATEMENT OF FINANCIAL PERFORMANCE

### 2.1 TABLE 1: SUMMARY OF THE OPERATIONAL BUDGET PERFORMANCE

	2021/22 Original Budget	Actual income spend to date (in R and as a % of the Original Budget)		YTD Original Budget
	R '000	R'000	%	R '000
REVENUE	258,894	105,413	41%	64,724
TOTAL EXPENDITURE	(255,854)	(63,978)	25%	(63,963)
SURPLUS/ (DEFICIT)	3,040	41,435		761

**Note: Positive Revenue & Negative (Expenditure)**

- 2.1.1 During the 2021/22 financial year the municipality has anticipated to raise **R258,894** millions in consolidated revenue which is inclusive of operational grants.
- 2.1.2 To date total revenue of **R105,413** million has been recorded (representing **41%**) of the total original revenue budget. This amount is mainly contributed by revenue received from grants (National and Provincial). SC6 as part of the annexure has been attached detailing the performance of the grants. The municipality is mostly funded by transfers and subsidies from National and Provincial Government.
- 2.1.3 The summary of statement of financial performance in Table 4 is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type.
- 2.1.4 To date, a total of **R63,978** million has been spent on the operational adjusted budget, (this amounts to **25 %** of the total approved expenditure budget for the year).
- 2.1.5 The main cost drivers of the expenditure are **employee related costs**.

## 2.2 Table 2: FINANCIAL PERFORMANCE (INCOME AND EXPENDITURE BY MUNICIPAL VOTE)

This table shows both income and expenditure for the month ended 30 September 2021 from the approved original budget per municipal vote.

### DC48 West Rand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First Quarter

Vote Description	Ref	Budget Year 2021/22						
		Original 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 - Corporate Governance		9 651	–	3 710	2 413	1 297	53,8%	9 651
Vote 2 - Municipal Manager & Support		13 901	–	5 549	3 475	2 073	59,7%	13 901
Vote 3 - Corporate Services		30 253	145	9 643	7 563	2 080	27,5%	30 253
Vote 4 - Budget & Treasury Office		23 403	1 318	8 160	5 851	2 310	39,5%	23 403
Vote 5 - Health & Social Development		46 056	5	13 917	11 514	2 403	20,9%	46 056
Vote 6 - Public safety		112 214	76	53 911	28 054	25 858	92,2%	112 214
Vote 7 - Regional planning & Economic Development		23 417	14	10 523	5 854	4 669	79,7%	23 417
<b>Total Revenue by Vote</b>	2	<b>258 895</b>	<b>1 558</b>	<b>105 413</b>	<b>64 724</b>	<b>40 689</b>	<b>62,9%</b>	<b>258 895</b>
<b>Expenditure by Vote</b>	1							
Vote 1 - Corporate Governance		24 496	1 792	5 698	6 124	(426)	-7,0%	24 496
Vote 2 - Municipal Manager & Support		15 964	537	2 166	3 991	(1 825)	-45,7%	15 964
Vote 3 - Corporate Services		35 586	2 870	10 015	8 897	1 119	12,6%	35 586
Vote 4 - Budget & Treasury Office		20 734	1 437	6 807	5 184	1 624	31,3%	20 734
Vote 5 - Health & Social Development		42 816	2 577	8 086	10 704	(2 618)	-24,5%	42 816
Vote 6 - Public safety		96 065	7 470	26 211	24 016	2 194	9,1%	96 065
Vote 7 - Regional planning & Economic Development		20 193	1 462	4 994	5 048	(54)	-1,1%	20 193
<b>Total Expenditure by Vote</b>	2	<b>255 854</b>	<b>18 146</b>	<b>63 978</b>	<b>63 964</b>	<b>14</b>	<b>0,0%</b>	<b>255 854</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>3 041</b>	<b>(16 588)</b>	<b>41 435</b>	<b>760</b>	<b>40 675</b>	<b>63%</b>	<b>3 041</b>

2.2.1 The above table indicates that to date, the municipality is at a consolidated **surplus of R41,435 million**.

2.2.2 The profitability ratio presented below is at **(40%)** as at 30 September 2021. This indicates that the municipality's financial performance is at a surplus of 40% of the total revenue collected to date.

Description	Basis of calculation	% Profit/ (Deficit)
Profitability ratio	Surplus/ Total revenue	40%



### 2.3 Table 3: FINANCIAL PERFORMANCE REVENUE BY TYPE

This table shows income raised by the municipality for the month ended 30 September 2021 from the approved original budget by source.

#### DC48 West Rand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	Budget Year 2020/21						
		Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								
<b>Revenue By Source</b>								
Rental of facilities and equipment		2 067	145	347	517	(170)	-33%	2 067
Interest earned - external investments		750	98	447	188	260	139%	750
Interest earned - outstanding debtors		450	-	-	113	(113)	-100%	450
Licences and permits		400	-	-	100	(100)	-100%	400
Transfers and subsidies		238 143	-	94 122	59 536	34 586	58%	238 143
Other revenue		7 434	1 315	1 641	1 859	(217)	-12%	7 434
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>249 244</b>	<b>1 558</b>	<b>96 557</b>	<b>62 311</b>	<b>34 246</b>	<b>55%</b>	<b>249 244</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		9 651	-	8 856	2 413	6 443	267%	9 651
<b>Total Revenue including capital transfers and contributions</b>		<b>258 895</b>	<b>1 558</b>	<b>105 413</b>	<b>64 724</b>	<b>40 689</b>	<b>63%</b>	<b>258 895</b>

2.3.1 The Municipality's revenue as at 30 September 2021 amounted to **R1,558** million this represents **1%** of the total original revenue budget approved on the 10<sup>th</sup> June 2021.

2.3.2 Grants are fully disclosed in Table 4. (SC6)

2.3.3 The breakdown of other revenue for the month ended 30 September 2021 is made up from the following sources as presented on the table below:

Item Description	Amount
Health certificates	5,200
Sale of tender documents	3,850
Sales of Goods and Rendering of Services: Fire Services	75,575
Operational Revenue (Donaldson Dam)	13,622
VAT receivable	1,216,808
<b>TOTAL</b>	<b>1,315,055</b>

## 2.4 Table 4: GRANTS RECEIVED BY THE MUNICIPALITY FOR THE MONTH ENDED 30 September 2021

This table shows transfers and subsidies received by the municipality as at the month ended 30 September 2021 from the approved original budget.

DC48 West Rand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

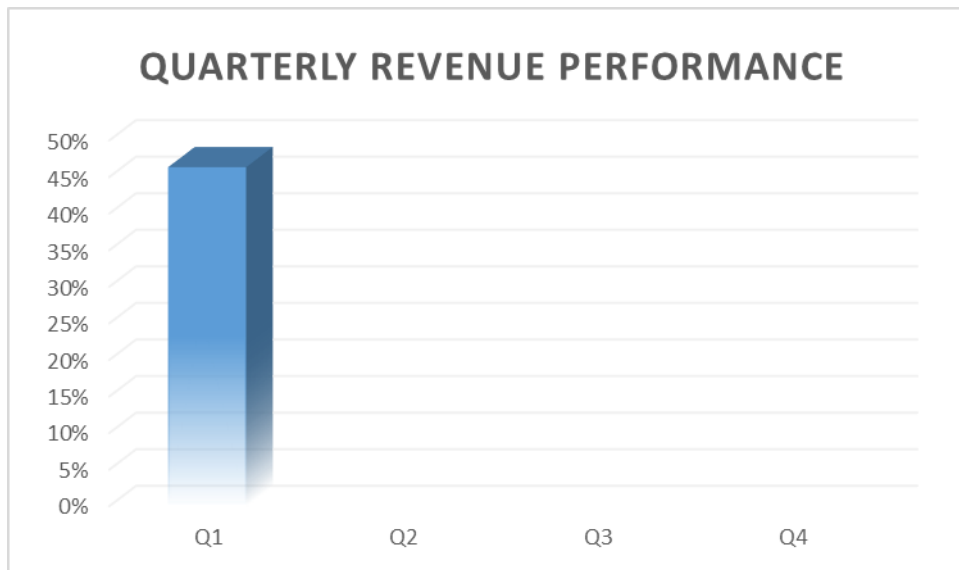
Description	Ref	Budget Year 2020/21						
		Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								
<b>RECEIPTS:</b>	1,2							
<b>Operating Transfers and Grants</b>								
<b>National Government:</b>		<b>224 679</b>	–	<b>94 018</b>	<b>224 679</b>	<b>(130 661)</b>	<b>-148%</b>	<b>224 679</b>
Local Government Equitable Share		45 139	–	45 139	45 139	–	–	45 139
RSC Levy Replacement		177 450	–	47 606	177 450	(129 844)	-73,2%	177 450
Finance Management		1 000	–	1 000	1 000	–	–	1 000
EPWP Incentive		1 090	–	273	1 090	(817)	-75,0%	1 090
<b>Provincial Government:</b>		<b>12 364</b>	–	–	<b>12 364</b>	<b>(12 364)</b>	<b>-200%</b>	<b>12 364</b>
Health Subsidy		11 364	–	–	11 364	(11 364)	-100,0%	11 364
GRAP 17		1 000	–	–	1 000	(1 000)	-100,0%	1 000
<b>Other grant providers:</b>		<b>1 100</b>	–	<b>26</b>	<b>1 100</b>	<b>(1 074)</b>	<b>-98%</b>	<b>1 100</b>
LG SETA		1 100	–	26	1 100	(1 074)	-97,6%	1 100
<b>Total Operating Transfers and Grants</b>	<b>5</b>	<b>238 143</b>	–	<b>94 044</b>	<b>238 143</b>	<b>(144 099)</b>	<b>-61%</b>	<b>238 143</b>
<b>Capital Transfers and Grants</b>								
<b>National Government:</b>		2 651	–	1 856	2 651	(795)	-30,0%	2 651
Rural Roads Asset Management Systems		2 651	–	1 856	2 651	(795)	-30,0%	2 651
<b>Provincial Government:</b>		7 000	–	7 000	7 000	–	0,0%	7 000
Fire Rescue Services		7 000	–	7 000	7 000	–	0,0%	7 000
<b>Total Capital Transfers and Grants</b>	<b>5</b>	<b>9 651</b>	–	<b>8 856</b>	<b>9 651</b>	<b>(795)</b>	<b>-30%</b>	<b>9 651</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>5</b>	<b>247 794</b>	–	<b>102 900</b>	<b>247 794</b>	<b>(144 894)</b>	<b>-58,5%</b>	<b>247 794</b>

2.4.1 The total transfers and grants received to date amount to R102, 900 million, made up of R94, 044 million and R8 856 million for operational and capital purposes respectively.

2.4.2 The table below presents the total conditional grants transfers and unspent grants as per their conditions:

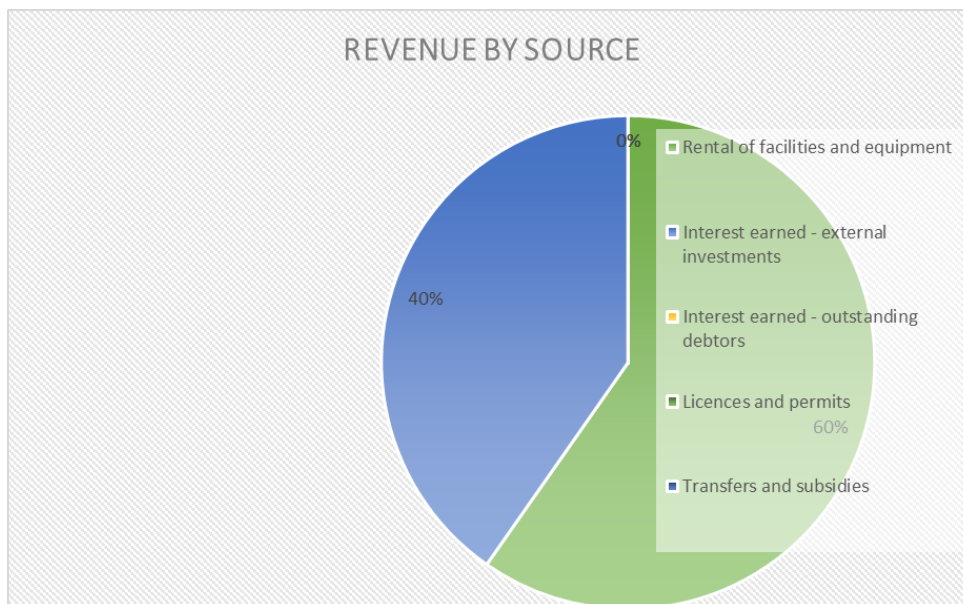
Name of Grant	Gazetted	Received	Roll-over	Monthly Actual	Spent to date	Unspent
Finance Management Grant	1 000 000,00	1 000 000,00	-	67 287,00	162 675,00	770 038,00
Fire & Rescue Services	7 000 000,00	7 000 000,00	-	-	-	-
EPWP Incentive	1 090 000,00	273 000,00	-	124 036,00	124 063,00	148 964,00
Health Subsidy	11 364 000,00	-	-	-	-	-
Rural Roads Asset Management Systems	2 651 000,00	1 856 000,00	-	48 178,00	303 735,00	1 504 087,00
	<b>23 105 000,00</b>	<b>10 129 000,00</b>	-	<b>239 501,00</b>	<b>590 473,00</b>	<b>2 423 089,00</b>

### 2.4.3 CHART 1: QUARTERLY REVENUE PERFORMANCE



The above chart represents the Quarterly revenue % of the total revenue raised as at the month ended 30 September 2021.

### Chart 2: Total Revenue by Source



The above chart represents the total revenue by source, per source as a percentage of the total revenue raised as at the month ended 30 September 2021.

## 2.5 Table 6: FINANCIAL PERFORMANCE EXPENDITURE BY TYPE

This table shows expenditure incurred by the municipality for the month ended 30 September 2021 from the approved original budget by source.

### DC48 West Rand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	Budget Year 2020/21						
		Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								
<b>Expenditure By Type</b>								
Employee related costs		196 249	15 447	52 155	49 062	3 092	6%	196 249
Remuneration of councillors		13 931	1 050	3 167	3 483	(316)	-9%	13 931
Depreciation & asset impairment		4 000	-	-	1 000	(1 000)	-100%	4 000
Other materials		220	-	4	55	(51)	-92%	220
Contracted services		8 961	1 270	3 485	2 240	1 244	56%	8 961
Transfers and subsidies		11 364	-	-	2 841	(2 841)	-100%	11 364
Other expenditure		21 129	378	5 168	5 282	(114)	-2%	21 129
<b>Total Expenditure</b>		<b>255 854</b>	<b>18 146</b>	<b>63 978</b>	<b>63 964</b>	<b>14</b>	<b>0%</b>	<b>255 854</b>

2.5.1 The Municipality's expenditure as at end of the month ended 30 September 2021 amounted to **R18,146 million**. This represents **7%** of the total original budget expenditure approved on the 10<sup>th</sup> of June 2021.

2.5.2 The total employee related amount represents **85%** of the total expenditure incurred as at the month ended 30 September 2021.

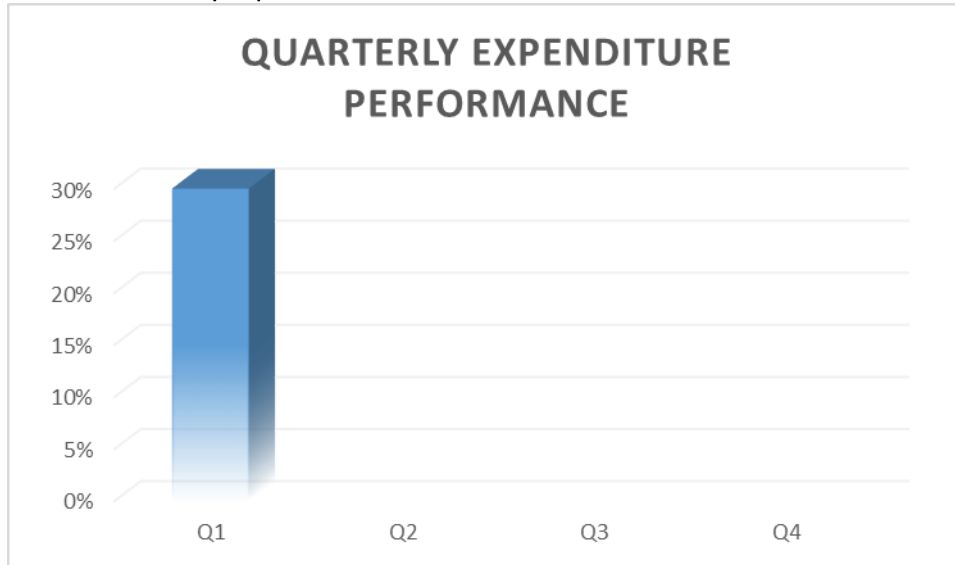
The breakdown of contracted services for the month ended 30 September 2021 is made up of the following sources presented below:

<b>Item Description</b>	<b>Amount</b>
Contractors (Fire services)	792
Advise & Litigation	1,271,038
<b>TOTAL CONTRACTED SERVICES</b>	<b>1,270,246</b>

2.5.3 The breakdown of other expenditure for the month ended 30 September 2021 is made up of the following sources presented below:

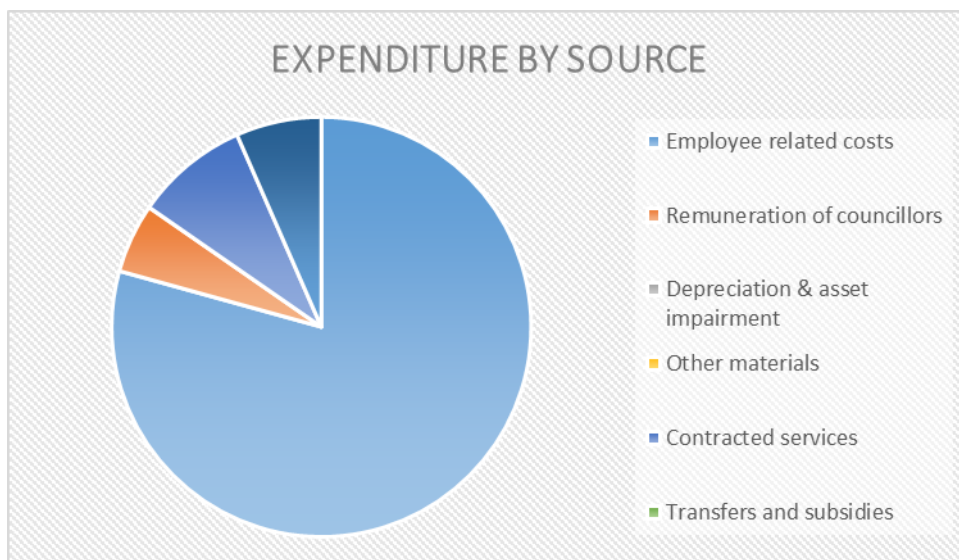
<b>Item Description</b>	<b>Amount</b>
Bank Charges Facility and Card Fees: Bank Accounts	2,153
Operation Cost: Fuel	80,000
Skills Development Fund Levy	129,456
Arbitration awards	166,250
<b>TOTAL OTHER EXPENDITURE</b>	<b>377,859</b>

**Chart 2: Quarterly Expenditure Performance**



*The above chart represents the Quarterly expenditure % of the total expenditure incurred as at the month ended 30 September 2021.*

**Chart 4: Total Expenditure by Source**



*The above chart represents the total expenditure by source, per source as a percentage of the total expenditure incurred as at the month ended 30 September 2021.*

## 4 DEBTORS AND CREDITORS

### 4.1 TABLE 7: DEBTORS AGE ANALYSIS - MONTH ENDED 30 September 2021

Description	NT Code	Budget Year 2021/22									Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		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>														
Debtors Age Analysis By Income Source														
Other	1900	-	-	-	320	247	215	278	12 184	13 243	13 243	-	-	
<b>Total By Income Source</b>	<b>2000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>320</b>	<b>247</b>	<b>215</b>	<b>278</b>	<b>12 184</b>	<b>13 243</b>	<b>13 243</b>	<b>-</b>	<b>-</b>	
<b>2019/20 - totals only</b>														
Debtors Age Analysis By Customer Group														
Organs of State	2200	-	-	-	-	-	-	-	5 400	5 400	5 400	-	-	
Commercial	2300	-	-	-	320	247	215	278	3 490	4 550	4 550	-	-	
Other	2500	-	-	-	-	-	-	-	3 293	3 293	3 293	-	3 293	
<b>Total By Customer Group</b>	<b>2600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>320</b>	<b>247</b>	<b>215</b>	<b>278</b>	<b>12 184</b>	<b>13 243</b>	<b>13 243</b>	<b>-</b>	<b>3 293</b>	

4.1.1 Debtors who are 90 days and older for WRDM is **R13,243 million** as at 30 September 2021.

4.1.2 The larger proportion of current outstanding debtors have been accrued from previous financial years.

4.1.3 Letters of demand have been issued to the commercial debtors to settle outstanding amount owed to the Municipality and should that not be adhered to, credit control processes will be undertaken by the Municipality's legal department.

4.1.4 The table below represents the summary of outstanding debts from local municipalities for regional transformation and contributions towards the West Rand Development Agency:

Municipality	Opening Balance	Invoices	Payments	Closing Balance
Merafong City Local Municipality	7,400,000	-	(2,000,000)	5,400,000

### 3.2 TABLE 8: CREDITORS AGE ANALYSIS - MONTH ENDED 30 September 2021

DC48 West Rand - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2021/22								
		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
<b>R thousands</b>										
Creditors Age Analysis By Customer Type										
Trade Creditors	0700	1 406	1 319	852	3 666	22 223	-	-	-	29 466
Auditor General	0800	51	-	8	1 251	10	-	-	-	1 320
Other	0900	36 886	-	-	-	-	-	-	30 444	67 331
<b>Total By Customer Type</b>	<b>1000</b>	<b>38 343</b>	<b>1 319</b>	<b>860</b>	<b>4 917</b>	<b>22 234</b>	<b>-</b>	<b>-</b>	<b>30 444</b>	<b>98 117</b>

4.2.1 The breakdown of the creditors' age analysis by customer balance for the month ended 30 September 2021 is made up as follows:

Creditor Code	Creditor Name	Description of services rendered	0days	30days	60days	90days	120days	Total
437	AUDITOR GENERAL SOUTH AFRICA	External Audit fees.	51,383		7,580	1,250,775	10,315	1,320,053
6856	HUGE TELECOM	Provision of telecommunication services.			857			857
80089	LIZEL VENTER	Advice & Litigation services.		19,581				19,581
99348	MABOTWANE	Security services.	313,529	313,529			177,821	940,587
5641	MAFOKO SECURITY PATROLS (PTY)	Provision of security services provided during previous years.					2,500,000	2,500,000
4298	MARCE PROJECTS PTY LTD	Leasing of rescue vehicles and fire engines.			54,978			54,978
6845	MEDIA TORQUE & EVENTS	Advertising services.		22,552	0,01			22,552
939	MT MATSAU INC	Provision of legal services.			92,504			92,504
4298	MAXIMUM PROFIT RECOVERY (PTY)	VAT Consultants.	94,096					94,096
6119	MPHAPHULI AZWINAKI ZEBLON	Administrative cost	899					899
5927	MUNSOFT	Amount relates to Quarterly service fees for utilisation of financial management system.	261,967	261,967	261,961		714,454	1,500,354
99339	NOZUKO NXUSANI INCORPORATED	Legal and advisory services to WRDM.					570,025	570,025
99902	PK FINANCIAL CONSULTANTS	Preparation and submission of VAT returns to SARS.					320,460	320,460
5562	RAND WEST BRAKE AND CLUTCH	Maintenance of transport assets.	68,280					68,280
6857	RAND WEST C L M (DONALDSON)	Rates and taxes for Donaldson Dam.	145,959		135,010			280,968
13852	RAND WEST CITY LOCAL MUNICIPAL	Outstanding payments for water and lights provided by Rand West City.	490,752	476,908	437,755	322,161	15,154,813	16,882,388
163	SALGA	Invoices relate to SALGA membership charged annually.			3,139,538		2,785,831	5,925,369
6717	SMIT MARIE SUNET	Administrative cost.	1,117					1,117



Creditor Code	Creditor Name	Description of services rendered	0days	30days	60days	90days	120days	Total
6867	SOFTWARE & TELECOM SOLUTIONS	Provision of communication services.		169,121				169,121
6864	SPECTRUM VALUATION & ASSET	Provision of asset verification services.	9,200					9,200
163	TELKOM SA LIMITED	Provision of communication services.	20,073	16,295	16,556			52,923
185	VODACOM SERVICE PROVIDER CO (P	Provision of communication services.		61,167				61,167
87	ZEVOLI 151 (PTY) LTD T/A NASHU	Printing machines.			13,888			13,888
<b>Company Total</b>			<b>1,457,255</b>	<b>1,318,568</b>	<b>859,566</b>	<b>4,917,205</b>	<b>22,233,717</b>	<b>30,786,312</b>

4.2.2 Other creditors breakdown is presented below:

*Other accruals –*

Creditors	Total
Leave payable (days not taken)	27,463,075

*Deferred Income (Unspent conditional grants) –*

Creditors	Total
Rural Asset Management	1,504,087
Distressed Mining Town	30,444,344
Expanded Public Works Program Grant	148,964
HIV/ Aids subsidy	-
Finance Management Grant	770,038
Fire Rescue Services	7,000,000
	<b>39,867,433</b>

## 5 SUMMARY OF CAPITAL BUDGET

### 5.1 CAPITAL BUDGET PERFORMANCE FOR THE MONTH ENDED 30 September 2021

	2021/22 Original Budget  R	Actual spend to date (in R and as a % of the Original Budget)		Pro rata Budget to date  R
		R	%	
EXPENDITURE (Excl. VAT)	6,608,696	-	-	1,652,174
VAT @ 15%	991,304	-	-	247,826
<b>EXPENDITURE (Incl. VAT)</b>	<b>7,600,000</b>	<b>-</b>	<b>-</b>	<b>1,900,000</b>

5.1.1 The table below represents the capital expenditure as at 30 September 2021 per functional classification and funding:

DC48 West Rand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q1 First Quarter

Vote Description	Ref	Budget Year 2021/22						
		Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1							
<b>Capital Expenditure - Functional Classification</b>								
<i><b>Governance and administration</b></i>		600	-	-	150	(150)	-100%	600
Finance and administration		600	-	-	150	(150)	-100%	600
<i><b>Community and public safety</b></i>		7 000	-	-	1 750	(1 750)	-100%	7 000
Public safety		7 000	-	-	1 750	(1 750)	-100%	7 000
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>7 600</b>	<b>-</b>	<b>-</b>	<b>1 900</b>	<b>(1 900)</b>	<b>-100%</b>	<b>7 600</b>
<b>Funded by:</b>		7 600						
Provincial Government		7 000	-	-	1 750	(1 750)	-100%	7 000
Internally generated funds		600	-	-	150	(150)	-100%	600
<b>Total Capital Funding</b>		<b>7 600</b>	<b>-</b>	<b>-</b>	<b>1 900</b>	<b>(1 900)</b>	<b>-100%</b>	<b>7 600</b>

## 6 CASH FLOW POSITION

### 6.1 CASH FLOW – MONTH ENDED 30 September 2021

#### DC48 West Rand - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter

Description	Ref	Budget Year 2020/21						
		Original 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>								
Other revenue		14 350	1 408	2 977	3 588	(610)	-17%	14 350
Transfers and Subsidies - Operational		238 143	-	94 044	59 536	34 508	58%	238 143
Transfers and Subsidies - Capital		9 651	-	8 856	2 413	6 443	267%	9 651
Interest		750	98	424	188	236	126%	750
<b>Payments</b>								
Suppliers and employees		(244 730)	(20 624)	(78 116)	(61 183)	16 934	-28%	(244 730)
Transfers and Grants		(11 364)	-	-	(2 841)	(2 841)	100%	(11 364)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>6 800</b>	<b>(19 118)</b>	<b>28 185</b>	<b>1 700</b>	<b>(26 485)</b>	<b>-1558%</b>	<b>6 800</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
<b>Receipts</b>								
Proceeds on disposal of PPE		800	-	-	200	(200)	-100%	800
<b>Payments</b>								
Capital assets		(7 600)	-	-	(1 900)	(1 900)	100%	(7 600)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(6 800)</b>	<b>-</b>	<b>-</b>	<b>(1 700)</b>	<b>(1 700)</b>	<b>100%</b>	<b>(6 800)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			<b>(19 118)</b>	<b>28 185</b>				
Cash/cash equivalents at beginning:		-		1 323				
Cash/cash equivalents at month/year end:		-		29 508				

6.1.1 A summary of the cash flow for the period ended 30 September 2021 is reflected in the table above.

Municipality	Closing balance
WRDM ( transactional accounts)	1,803,185
Call Account Investment - WRDM	20,704,469
WRDM Fixed Investment Account	7,000,000
	<b>29,507,653</b>

6.1.2 There were no grants and subsidies received during the month ended 30 September 2021 hence Call Investment Account balance has no substantial increase.

6.1.3 Other revenue received for the period ended 30 September mainly consists of VAT receivable, rental of equipment and facilities, Fire prevention fees and Sale of tender documents

## 6.2 SHORT TERM INVESTMENT AND RESERVE FOR THE MONTH ENDED 30 September 2021

DC48 West Rand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q1 First Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
<b>R thousands</b>														
<b>Municipality</b>														
FNB Call Account		N/A	Call account	Yes	Fixed	3,35%				41 195	96	(20 589)	-	20 704
Standard Bank		NA	Call account	Yes	Fixed					3	-	-	-	3
Standard Bank Fixed Investment Account		N/A	96 Days	Yes	Fixed	4,50%				7 000	-	-	-	7 000
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>									<b>48 198</b>	<b>96</b>	<b>(20 589)</b>	<b>-</b>	<b>27 707</b>

- 6.2.1 During the month ended 30 September 2021, withdrawals were made from the call account for operational expenditure. The call account type is available on demand.
- 6.2.2 Interest of R96 thousand was realised on the funds invested on the Call Investment Account.
- 6.2.3 Fixed deposit account funds received from COGTA still remain invested in the Standard Bank Fixed Investment Account at R7 million, no withdrawals were made yet during the month ended 30 September 2021.

## 6 FINANCIAL POSITION

### 6.1 FINANCIAL POSITION FOR THE MONTH ENDED 30 September 2021

DC48 West Rand - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter

Description	Ref	Budget Year 2020/21		
		Original Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1			
<b>ASSETS</b>				
<b>Current assets</b>				
Cash		-	1 803	-
Call investment deposits		-	27 704	-
Short-term Investments			7 000	-
Other debtors		10 995	13 243	10 995
Inventory		220	6	220
<b>Total current assets</b>		<b>11 215</b>	<b>49 756</b>	<b>11 215</b>
<b>Non current assets</b>				
Long-term receivables		-	255	-
Investment property		7 200	6 300	7 200
Property, plant and equipment		68 378	64 056	68 378
Biological		264	91	264
<b>Total non current assets</b>		<b>75 842</b>	<b>70 702</b>	<b>75 842</b>
<b>TOTAL ASSETS</b>		<b>87 057</b>	<b>120 458</b>	<b>87 057</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables		69 741	98 117	69 741
Provisions		14 826	30 992	14 826
<b>Total current liabilities</b>		<b>84 567</b>	<b>129 108</b>	<b>84 567</b>
<b>Non current liabilities</b>				
Provisions		56 637	62 409	56 637
<b>Total non current liabilities</b>		<b>56 637</b>	<b>62 409</b>	<b>56 637</b>
<b>TOTAL LIABILITIES</b>		<b>141 204</b>	<b>191 517</b>	<b>141 204</b>
<b>NET ASSETS</b>	2	<b>(54 147)</b>	<b>(71 059)</b>	<b>(54 147)</b>
<b>COMMUNITY WEALTH/EQUITY</b>				
Accumulated Surplus/(Deficit)		(54 147)	(71 059)	(54 147)
Reserves		-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>(54 147)</b>	<b>(71 059)</b>	<b>(54 147)</b>

The following table sets out consolidated financial performance indicators of the municipality:

Number	Description	Basis of calculation	YTD 2020/2021
1	Current ratio	Current assets/ Current liabilities	0,39:1
2	Liquidity ratio	(Current assets – Inventory)/ Current liabilities	0,39:1
3	Working capital	Current assets – Current liabilities	(79 352million)

The **current ratio** is a financial ratio that measures whether or not the municipality has enough resources to pay its debts over the next 12 months. It compares the municipality's current assets to its current liabilities. The ratio of 0,39:1 shows that the municipality will not be able to meet its current obligations.

**Liquidity ratios** attempt to measure the municipality's ability to pay off its short-term debt obligations. This is done by comparing the municipality's most liquid assets (or, those that can be easily converted to cash), to its short-term liabilities. The ratio of 0,39:1 shows that the municipality will not be able to meet its current obligations.

**Working Capital** is a measure of both the municipality's efficiency and its short-term financial health. Working capital is calculated as: Working Capital = Current Assets - Current Liabilities.

## 6 STAFF EXPENDITURE REPORT

The staff expenditure report is submitted in terms of section 66 of the Municipal Finance Management Act, which states that the accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely-

- (a) Salaries and wages;
- (b) Contributions for pensions and medical aid;
- (c) Travel, motor car, accommodation, subsistence and other allowances;
- (d) Housing benefits and allowances;
- (e) Overtime payments;
- (f) Loans and advances; and
- (g) Any other type of benefit or allowance related to staff.

### 7.1 KEY DATA: HUMAN RESOURCES

Details	Original Budget	YTD 2021/2022
Employee costs as % of total expenditure	77%	85%
Number of permanent employees	400	346
Number of temporary employees	50	19
Total number of leave days due	25,000	13,650

## 7.2 Table 15: COUNCILLORS AND STAFF BENEFITS

DC48 West Rand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter

Summary of Employee and Councillor remuneration R thousands	Ref	Budget Year 2020/21						Full Year Forecast
		Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
	1	B						D
<b><u>Councillors (Political Office Bearers plus Other)</u></b>								
Basic Salaries and Wages		13 910	1 050	3 167	3 478	(311)	-9%	13 910
<b>Sub Total - Councillors</b>		<b>13 910</b>	<b>1 050</b>	<b>3 167</b>	<b>3 478</b>	<b>(311)</b>	<b>-9%</b>	<b>13 910</b>
<b><u>Senior Managers of the Municipality</u></b>								
Basic Salaries and Wages	3	8 500	393	1 179	2 125	(946)	-45%	8 500
<b>Sub Total - Senior Managers of Municipality</b>		<b>8 500</b>	<b>393</b>	<b>1 179</b>	<b>2 125</b>	<b>(946)</b>	<b>-45%</b>	<b>8 500</b>
<b><u>Other Municipal Staff</u></b>								
Basic Salaries and Wages		122 218	9 539	31 321	30 555	766	3%	122 218
Pension and UIF Contributions		23 478	2 073	6 805	5 870	936	16%	23 478
Medical Aid Contributions		11 756	983	2 973	2 939	34	1%	11 756
Overtime		879	672	1 905	220	1 685	767%	879
Performance Bonus		12 462	878	4 413	3 116	1 298	42%	12 462
Motor Vehicle Allowance		6 509	816	2 459	1 627	832	51%	6 509
Cellphone Allowance		25	1	3	6	(3)	-53%	25
Housing Allowances		1 083	39	117	271	(153)	-57%	1 083
Other benefits and allowances		5 282	44	152	1 321	(1 169)	-88%	5 282
Payments in lieu of leave		4 058	8	828	1 015	(187)	-18%	4 058
<b>Sub Total - Other Municipal Staff</b>		<b>187 750</b>	<b>15 054</b>	<b>50 976</b>	<b>46 938</b>	<b>4 038</b>	<b>9%</b>	<b>187 750</b>
<b>Total Parent Municipality</b>		<b>210 160</b>	<b>16 497</b>	<b>55 321</b>	<b>52 540</b>	<b>2 781</b>	<b>-45%</b>	<b>210 160</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>210 160</b>	<b>16 497</b>	<b>55 321</b>	<b>52 540</b>	<b>2 781</b>	<b>-45%</b>	<b>210 160</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>196 250</b>	<b>15 447</b>	<b>52 155</b>	<b>49 063</b>	<b>3 092</b>	<b>-36%</b>	<b>196 250</b>

### 7.3 Table 16: COUNCILLORS REMUNERATION

PUBLIC OFFICE-BE+B1:J21ARERS ACT, ACT NO. 20 of 1998								
MONTHLY COUNCILLOR								
requested to submit a completed								
DECLARATION: The Municipal Manager (or a delegate) is required to certify the correctness and accuracy of information provided in this report.								
Municipal Name:	West Rand DM			Mun Code		DC48		
Municipal Grading	Grade 5			Financial Year:		2020/21		
Reporting Month:	September			Total Number of Councillors:		46		
Contact Person:	Sam Ramaele			Telephone:		011 411 5010		
E-Mail Address:	<a href="mailto:sramaele@wvrdm.gov.za">sramaele@wvrdm.gov.za</a>			Fax:				
Description	No. of Councillors	A. Basic salary	B. Cellphone and data allowances	C. Sitting allowances	D. Travelling expenses	E. Special risk insurance	F. Other benefits and allowances	F. Total monthly expenditure
<b>Municipal Councillors: Full-Time</b>								
Executive Mayor	1	56 497,48	3 700,00	-	-	-	15 125,10	75 322,58
Speaker	1	48 400,34	3 700,00	-	16 133,45	-	-	68 233,79
Member of Mayoral Committee	7	282 470,20	19 100,00	-	94 156,76	-	-	395 726,96
Chief Whips	1	45 375,29	3 700,00	-	15 125,10	-	-	64 200,39
Chairperson of Section 79 Committees	1	27 853,02	2 000,00	-	9 284,34	-	-	39 137,36
<b>Municipal Councillors: Part-Time</b>								
Councillors	32	235 585,30	77 600,00	30 600,00	63 732,85	-	-	407 518,15
<b>TOTAL</b>		<b>696 181,63</b>	<b>109 800,00</b>	<b>30 600,00</b>	<b>198 432,50</b>	<b>0</b>	<b>15 125,10</b>	<b>1 050 139,23</b>
<b>Comments:</b>								
Municipal Manager (Acting/Delegate):	ME Koloj				Date:	2021-10-06		



7.4 Table 17: QUARTERLY CONSOLIDATED REPORT ON WITHDRAWAL

	Consolidated	Primary Bank Account	Bank 2	Bank 3	Bank 4
Bank:		First National Bank (WRDM)	Standard Bank (WRDM)	Standard Bank Fixed Investment (WRDM)	Short term Investment WRDM
<b>Account number:</b>		622777660872	21307350	0	
Bank reconciliation/s compiled and attached		Yes	Yes	-	-
Month:(End of Quarter)	September	September	September	September	September
Opening cash book balance at beginning of quarter	41 625 407	250 060	180 004	-	41 195 343
Add Receipts for quarter	8 506 032	130 353	1 277 989	7 000 000	97 689
Less Payments for quarter	-20 623 785	-33 610	-1 611	-	-20 588 564
<b>Closing cash book balance at end of quarter</b>	<b>29 507 653</b>	<b>346 803</b>	<b>1 456 382</b>	<b>7 000 000</b>	<b>20 704 469</b>
<b>GL Account Balance</b>				-	-
Payments for the month	-20 623 785	-33 610	-1 611	-	-20 588 564
Recoveries from Employees / Suppliers (Amount to be entered as negative)	-	-	-	-	-
Non cash items (for the period)	-	-	-	-	-
Commitments (for the period)	-	-	-	-	-
Input VAT (for the period) (Amount to be entered as negative)	-	-	-	-	-
Accruals at end of month	-	-	-	-	-
Accruals at beginning of month (Amount to be entered as negative)	-	-	-	-	-
<b>Total</b>	<b>-20 623 785</b>	<b>-33 610</b>	<b>-1 611</b>	<b>-</b>	<b>-20 588 564</b>
Actual capital expenditure for the quarter	-	-	-	-	-
Actual operating expenditure for the quarter	-20 623 785	-33 610	-1 611	-	-20 588 564
Section 11(4) expenditure	-	-	-	-	-
<b>Total</b>	<b>-20 623 785</b>	<b>-33 610</b>	<b>-1 611</b>	<b>-</b>	<b>-20 588 564</b>