



LETSEMENG LOCAL
MUNICIPALITY

MID TERM REVENUE AND EXPENDITURE FRAMEWORK

1 July 2023 – 30 June 2025

**“A RESPONSIVE MUNICIPALITY IN
PURSUIT OF SERVICE EXCELLENCE”**



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PART 1

1.1. BUDGET SPEECH MAYOR

To be included at a later stage

1.2. RESOLUTIONS

To be included once the council has approved the budget.

1.3. EXECUTIVE SUMMARY

This section provides an overview of the Letsemeng Local Municipality's 2023-24 to 2025-26 Medium Term Revenue and Expenditure Framework. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of municipality.

The Municipality's budget must be seen within the context of the policies and financial priorities of national, provincial and district government. In essence, the spheres of Government are partners in meeting the service delivery challenges faced by Letsemeng Local Municipality. The municipality alone cannot meet these challenges. It requires support from the other spheres of Government through the direct allocation of resources, both financial and non-financial as well as the achievement of their own policies.

The following budget principles and guidelines directly informed the compilation of the 2023/24 MTREF:

- (a) Budgeting for a funded and credible annual budget compared to a balanced budget;
- (b) The 2022-23 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2023-24 annual budget;
- (c) Tariffs on services and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, also as per guideline of

Circular 125 except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity;

- (d) There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act.

Total operating revenue amount to **R230 910 000** it has increased with R15 084 748 from financial year 2022-23 adjustment budget of **R 215 825 252**. Operating revenue comprises of service charges, property rates and other revenue. We anticipate collecting 100% on prepaid electricity, 70% on property rates, 50% on water services, refuse and sanitation services.

Property rates amount to **R 27 412 079** it has increased from **R 26 032 364**, electricity increased from **R 31 028 248** to **R 36 507 841**, water increased from **R 16 071 957** to **R 16 923 770**, wastewater management increased from **R 15 431 203** to **R16 249 056** and waste management increased from **R 15 073 354** to **R 15 872 242**. All of the service charges were increased with an average inflation rate of 5.3%. Other revenue consist of administration costs, objection costs, photocopies costs and clearance certificate. Municipality applied for the electricity tariff of 15.10% as per the NERSA guideline and we are still awaiting for the approval.

Total operating expenditure amount to **R 276 156 000** it has increased with **R28 270 000** from financial year 2022-23 adjustment budget of **R247 886 000**. Total operating expenditure for the 2023-24 financial year translates into a budgeted deficit of **(R45 245 711, excluding capital grants)** which includes the non-cash items amounting to **R81 671 030**. **When non-cash items are removed, the budget of the municipality is on a surplus**. The operating expenditure consist of employee related costs, remuneration of Councillors, bulk purchases, contracted services and other expenditure.

Employee related costs increased from **R 73 053 000** to **R 79 080 566**. Remuneration of Councillors is increased from **R5 167 000** to **R 5 446 460** the increase is based on the salary and wage collective agreement based on the projected average CPI of 5.3%. Bulk purchases was increased from **R35 187 000** to **R 38 000 000**. Inventory consumed increased from **R10 236 000** to **R14 370 000** which **R7 000 000** is for water inventory.

Contracted services increased from **R 21 392 000** to **R 32 235 000**, it comprises of EPWP job creation, new general valuation roll, Insurance for municipal assets, employee wellness, rental of photocopies machines, telephones and network, maintenance of financial system(Mscoa compliant) and compilation of annual financial statements. Operational costs decreased from **R 16 317 000** to **R 15 904 000**. Operational costs consist of human capital development, waste water and water chemicals, accommodation, audit fees, printing and stationery, legal expenses, office furniture and etc.

As per requirement from National treasury we are expected to budget for non-cash items i.e., Debt Impairment **R27 588 600** and Depreciation and Asset Impairment of **R 54 082 429**, as per circular 123 of MFMA depreciation needs to be funded.

EXPLANATORY NOTES TO BUDGET

Table A1 is a summary of the budget of Letsemeng Local Municipality that gives an overview of the budget, it includes, the following key aspects

Financial Performance: This is a summary of income statement of the Municipality

Capital Expenditure and funding sources: This gives a brief overview of the capital expenditure and its funding sources

Financial Position: This is the balance sheet of Letsemeng Local Municipality

Cash Flow: This gives a brief overview of the Cash flow of the Municipality

Asset Management: This is the overview of the total assets of the Municipality

Free Services: This section gives the total amount of free basic services as provided by the municipality.

This is the most important as it gives users of the budget a “snapshot” of what is going to follow in the next ten (10) main tables

Explanatory Notes to Table A2

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per functional classification.
2. Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4 as Table A4 exclude capital transfers.

Explanatory Note to Table A3

1. Table A3 is an overview of the budgeted financial performance in relation to the revenue and expenditure per municipal vote.
2. From the above it can be seen that all trading services are making surpluses, and this is attributable to the following.
 - a. Council proposes an increase of 15.10% on electricity tariffs.
 - b. An increase of 5.3% on refuse, sewerage, and water tariffs
 - c. 5.3% Increase for Property rates
 - d. Cut on non-priority spending.
3. Profits made on these services are used to subsidise non-trading services.

Explanatory note on table A4

1. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the budgeted revenue of Letsemeng Local Municipality
2. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government.
3. Major component of expenditure relates to employee costs.

Explanatory note on Table A5

1. Table A5 is a breakdown of the capital Programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.

Explanatory Notes to Table A6

1. Table A6 is consistent with international standards of good financial management practice and improves understanding ability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity, i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Explanation to Table A7

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Explanatory note to table A8

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. Considering the requirements of section 18 of the MFMA, it can be concluded that the draft budget for 2023/24 MTREF is unfunded because Municipality collection is low below 50%.

Explanatory Note for Table A9

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

Explanatory notes to Table A10

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

FS161 Letsemeng - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands										
Financial Performance										
Property rates	23,907	33,106	25,832	6,508	2,509	2,509	16,993	27,412	28,755	30,107
Service charges	47,558	35,989	60,350	67,023	77,605	77,605	36,075	85,876	91,390	94,136
Investment revenue	101	41	163	–	–	–	56	322	338	354
Transfer and subsidies - Operational	81,566	103,559	88,909	90,897	90,897	90,897	73,331	95,791	101,830	96,708
Other own revenue	19,542	23,276	34,102	17,263	21,291	21,291	28,311	21,860	22,891	25,826
Total Revenue (excluding capital transfers and contributions)	172,674	195,971	209,356	181,691	192,302	192,302	154,766	231,261	245,204	247,131
Employee costs	54,349	59,851	69,762	73,053	73,053	73,053	55,931	79,081	82,956	98,149
Remuneration of councillors	4,200	4,217	4,764	5,167	5,167	5,167	3,985	5,446	5,713	5,981
Depreciation and amortisation	53,537	15,841	(44)	51,360	51,360	51,360	24	51,145	53,652	56,173
Interest	2,513	7,872	11,008	6,770	8,974	8,974	8,731	9,449	9,912	10,378
Inventory consumed and bulk purchases	43,284	44,059	47,218	45,423	45,423	45,423	27,040	52,370	54,936	57,518
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	68,178	99,035	117,326	66,618	63,909	63,909	31,005	75,727	78,532	82,220
Total Expenditure	226,062	230,876	250,034	248,391	247,886	247,886	126,715	273,219	285,700	310,420
Surplus/(Deficit)	(53,388)	(34,904)	(40,678)	(66,700)	(55,585)	(55,585)	28,051	(41,958)	(40,496)	(63,289)
Transfers and subsidies - capital (monetary allocations)	21,356	33,988	21,767	57,519	57,519	57,519	–	51,543	48,106	49,428
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	9,585	7,610	(13,861)
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	9,585	7,610	(13,861)
Capital expenditure & funds sources										
Capital expenditure	9,601	38,472	11,071	56,944	57,265	57,265	1,476,720	52,209	49,837	51,240
Transfers recognised - capital	29,283	46,433	14,510	56,568	56,568	56,568	172,791	50,559	48,106	49,428
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	(19,682)	(7,961)	(3,439)	376	697	697	1,303,928	1,650	1,731	1,812
Total sources of capital funds	9,601	38,472	11,071	56,944	57,265	57,265	1,476,720	52,209	49,837	51,240
Financial position										
Total current assets	131,171	171,610	231,268	85,471	92,428	92,428	314,576	458,763	499,047	498,398
Total non current assets	781,177	769,781	747,596	839,286	839,607	839,607	776,713	763,554	808,893	846,110
Total current liabilities	207,925	236,902	291,940	267,019	230,639	230,639	376,301	894,658	955,134	996,883
Total non current liabilities	1,698	5,253	5,796	13,014	13,014	13,014	5,135	16,839	17,664	18,495
Community wealth/Equity	700,218	697,272	679,316	644,792	687,704	687,704	707,364	469,164	200,480	188,140
Cash flows										
Net cash from (used) operating	3,688	3,693	40,988	98,390	61,944	61,944	52,252	21,951	33,707	5,010
Net cash from (used) investing	–	–	–	56,944	57,265	57,265	–	(52,641)	(43,361)	(47,227)
Net cash from (used) financing	–	–	–	–	–	–	–	96	75	48
Cash/cash equivalents at the year end	3,688	3,693	40,988	155,334	119,209	119,209	52,252	(29,434)	(39,013)	(81,182)
Cash backing/surplus reconciliation										
Cash and investments available	2,163	1,843	18,946	941	5,324	5,324	42,866	(29,098)	(8,418)	(40,922)
Application of cash and investments	128,757	162,993	185,517	5,356	(5,527)	(5,527)	217,247	773,830	814,476	859,983
Balance - surplus (shortfall)	(126,593)	(161,150)	(166,571)	(4,415)	10,852	10,852	(174,382)	(802,927)	(822,895)	(900,905)
Asset management										
Asset register summary (WDV)	781,177	769,781	747,596	839,286	839,607	839,607	2,509,780	2,509,780	2,339,922	2,449,099
Depreciation	40,305	201	39	51,360	51,360	51,360	51,145	51,145	53,652	56,173
Renewal and Upgrading of Existing Assets	1,352,002	1,375,273	1,371,993	38,068	38,068	38,068	41,915	48,106	48,106	49,428
Repairs and Maintenance	40	770	893	6,584	5,815	5,815	3,550	3,550	3,724	3,899
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	(1,842)	(11,229)	(1,959)	–	(13,664)	(13,664)	(13,128)	(13,759)	(14,401)	–
Households below minimum service level										
Water:	–	–	–	758	758	758	11,159	11,159	11,159	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	11	11	11	11	11	11	–
Refuse:	–	–	–	22	22	22	22	22	22	–

FS161 Letsemeng - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Revenue - Functional										
Governance and administration		165;175	167;046	188;329	63;429	83;259	83;259	202;790	214;906	213;537
Executive and council		–	(10)	10	–	–	–	–	–	–
Finance and administration		165;175	167;056	188;319	63;429	83;259	83;259	202;790	214;906	213;537
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		608	209	198	–	–	–	–	–	–
Community and social services		27	3	13	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		581	206	185	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		993	993	1;124	20;092	20;092	20;092	20;638	20;401	21;143
Planning and development		1;000	1;000	1;124	1;073	1;073	1;073	950	–	–
Road transport		(7)	(7)	–	19;019	19;019	19;019	19;688	20;401	21;143
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		27;255	61;711	41;472	155;689	146;469	146;469	59;375	58;003	61;879
Energy sources		8;302	17;250	17;655	22;509	21;858	21;858	15;007	24;064	22;428
Water management		–	300	–	34;072	20;000	20;000	31;327	20;287	23;285
Waste water management		18;953	44;161	23;817	83;523	85;408	85;408	12;361	12;939	15;418
Waste management		–	–	–	15;586	19;203	19;203	680	714	747
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	194;031	229;960	231;122	239;210	249;821	249;821	282;804	293;310	296;559
Expenditure - Functional										
Governance and administration		155;559	164;991	167;394	165;503	163;779	163;779	188;543	197;776	218;363
Executive and council		21;819	19;799	17;991	18;453	15;316	15;316	19;806	20;772	21;746
Finance and administration		132;061	142;825	147;475	144;746	146;153	146;153	157;116	164;815	183;855
Internal audit		1;678	2;367	1;928	2;305	2;311	2;311	11;620	12;189	12;762
Community and public safety		3;868	1;256	3;555	4;281	3;693	3;693	2;960	3;105	3;251
Community and social services		4;085	1;258	3;308	3;816	3;253	3;253	2;000	2;098	2;197
Sport and recreation		(301)	–	62	105	50	50	300	315	329
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	210	210	210	500	525	549
Health		83	(1)	184	150	180	180	160	168	176
Economic and environmental services		8;613	11;682	10;131	11;709	11;483	11;483	12;300	12;903	13;510
Planning and development		776	2;739	1;940	2;885	2;658	2;658	2;599	2;727	2;855
Road transport		7;837	8;943	8;191	8;825	8;825	8;825	9;701	10;176	10;655
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		58;023	52;947	68;954	66;898	68;185	68;185	69;416	71;916	75;296
Energy sources		36;763	39;418	45;432	47;191	46;988	46;988	45;578	47;811	50;059
Water management		10;133	125	9;275	9;110	10;710	10;710	9;139	9;587	10;038
Waste water management		11;122	13;116	14;181	10;450	10;245	10;245	14;658	14;476	15;156
Waste management		4	289	67	147	242	242	40	42	44
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	226;062	230;876	250;034	248;391	247;140	247;140	273;219	285;700	310;420
Surplus/(Deficit) for the year		(32;031)	(916)	(18;911)	(9;181)	2;681	2;681	9;585	7;610	(13;861)

FS161 Letsemeng - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Revenue by Vote	1									
Vote 1 - Executive & Council		-	(10)	10	-	-	-	-	-	-
Vote 2 - Finance & Administration		165;175	167;056	188;319	63;429	83;259	83;259	202;790	214;906	213;537
Vote 3 - Energy sources		8;302	17;250	17;655	22;509	21;858	21;858	15;007	24;064	22;428
Vote 4 - Environmental Protection		581	206	185	-	-	-	-	-	-
Vote 5 - Water Management		-	300	-	34;072	20;000	20;000	31;327	20;287	23;285
Vote 6 - Waste water management		18;953	44;161	23;817	83;523	85;408	85;408	12;361	12;939	15;418
Vote 7 - Road Transport		(7)	(7)	-	19;019	19;019	19;019	19;688	20;401	21;143
Vote 8 - Waste Management		-	-	-	15;586	19;203	19;203	680	714	747
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - Community & Social Services		1;027	1;003	1;137	1;073	1;073	1;073	950	-	-
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	194;031	229;960	231;122	239;210	249;821	249;821	282;804	293;310	296;559
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive & Council		21;819	19;799	17;991	18;453	15;316	15;316	19;806	20;772	21;746
Vote 2 - Finance & Administration		131;831	142;551	145;536	142;622	144;029	144;029	154;878	162;467	179;160
Vote 3 - Energy sources		36;763	39;418	45;432	47;191	46;988	46;988	45;578	47;811	50;059
Vote 4 - Environmental Protection		2;066	2;365	2;112	2;664	2;700	2;700	13;280	13;931	14;585
Vote 5 - Water Management		10;133	125	9;275	9;110	10;710	10;710	9;139	9;587	10;038
Vote 6 - Waste water management		11;122	13;116	14;181	10;450	10;245	10;245	14;658	14;476	15;156
Vote 7 - Road Transport		7;837	8;943	8;191	8;825	8;825	8;825	9;701	10;176	10;655
Vote 8 - Waste Management		4	289	67	147	242	242	40	42	44
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - Community & Social Services		4;470	4;270	7;250	8;929	8;085	8;085	6;137	6;438	8;978
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	226;045	230;876	250;034	248;391	247;140	247;140	273;219	285;700	310;420
Surplus/(Deficit) for the year	2	(32;014)	(916)	(18;911)	(9;181)	2;681	2;681	9;585	7;610	(13;861)

FS161 Letsemeng - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	17,788	13,396	30,502	29,768	31,028	31,028	19,841	36,831	41,508	43,459
Service charges - Water	2	10,875	4,638	11,773	14,072	16,072	16,072	1,484	16,924	17,712	18,545
Service charges - Waste Water Management	2	9,665	9,188	9,196	11,605	15,431	15,431	7,489	16,249	16,699	17,477
Service charges - Waste Management	2	9,230	8,767	8,879	11,577	15,073	15,073	7,260	15,872	15,471	14,655
Sale of Goods and Rendering of Services		221	179	382	164	163	163	155	154	161	169
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	339	16,066	266	306	306	-	-	-	-
Interest earned from Receivables		14,129	17,602	11,412	16,034	13,742	13,742	20,491	6,486	6,803	7,123
Interest earned from Current and Non Current As		101	41	163	-	-	-	56	322	338	354
Dividends		340	(6)	6	11	11	11	10	12	13	13
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		604	714	562	294	432	432	375	455	478	500
Licence and permits		-	-	-	5	5	5	-	6	6	6
Operational Revenue		269	375	68	470	355	355	-	154	161	161
Non-Exchange Revenue											
Property rates	2	23,907	33,106	25,832	6,508	2,509	2,509	16,993	27,412	28,755	30,107
Surcharges and Taxes		-	-	-	-	-	-	714	-	-	-
Fines, penalties and forfeits		22	7	8	18	18	18	7	19	20	21
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		81,566	103,559	88,909	90,897	90,897	90,897	73,331	95,791	101,830	96,708
Interest		3,958	4,064	5,561	-	6,258	6,258	6,560	14,574	15,249	17,832
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Gains		(1)	3	37	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and		172,674	195,971	209,356	181,691	192,302	192,302	154,766	231,261	245,204	247,131
Expenditure											
Employee related costs	2	54,349	59,851	69,762	73,053	73,053	73,053	55,931	79,081	82,956	98,149
Remuneration of councillors		4,200	4,217	4,764	5,167	5,167	5,167	3,985	5,446	5,713	5,981
Bulk purchases - electricity	2	32,025	33,824	38,809	35,187	35,187	35,187	22,805	38,000	39,862	41,736
Inventory consumed	8	11,259	10,235	8,409	10,236	10,236	10,236	4,235	14,370	15,074	15,783
Debt impairment	3	-	-	-	-	-	-	-	27,589	28,940	30,301
Depreciation and amortisation		53,537	15,841	(44)	51,360	51,360	51,360	24	51,145	53,652	56,173
Interest		2,513	7,872	11,008	6,770	8,974	8,974	8,731	9,449	9,912	10,378
Contracted services		13,731	15,819	13,904	22,423	21,392	21,392	12,949	32,235	32,913	34,460
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		38,650	30,288	31,602	26,200	26,200	26,200	38	-	-	-
Operational costs		14,533	48,181	66,620	17,995	16,317	16,317	18,018	15,904	16,678	17,459
Losses on disposal of Assets		1,433	4,752	5,267	-	-	-	-	-	-	-
Other Losses		(170)	(5)	(67)	-	-	-	-	-	-	-
Total Expenditure		226,062	230,876	250,034	248,391	247,886	247,886	126,715	273,219	285,700	310,420
Surplus/(Deficit)		(53,388)	(34,904)	(40,678)	(66,700)	(55,585)	(55,585)	28,051	(41,958)	(40,496)	(63,289)
Transfers and subsidies - capital (monetary	6	21,356	33,988	21,767	57,519	57,519	57,519	-	51,543	48,106	49,428
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	9,585	7,610	(13,861)
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	9,585	7,610	(13,861)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	9,585	7,610	(13,861)
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(32,031)	(916)	(18,911)	(9,181)	1,934	1,934	28,051	9,585	7,610	(13,861)

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		-	-	-	-	-	-	-	-	-	-
Vote 3 - Energy sources		-	-	-	-	-	-	-	-	-	-
Vote 4 - Environmental Protection		-	-	-	-	-	-	-	-	-	-
Vote 5 - Water Management		-	-	-	-	-	-	-	-	-	-
Vote 6 - Waste water management		-	-	-	-	-	-	-	-	-	-
Vote 7 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 8 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		(7,182)	799	748	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		(4,491)	(13,967)	(3,909)	209	530	530	530	900	944	988
Vote 3 - Energy sources		5,410	8,257	3,788	18,500	18,500	18,500	18,500	8,844	210	220
Vote 4 - Environmental Protection		7	-	(611)	-	-	-	-	-	-	-
Vote 5 - Water Management		18,565	29,123	3,528	20,000	20,000	20,000	20,000	31,477	20,444	23,450
Vote 6 - Waste water management		4,550	11,288	7,906	1,254	1,254	1,254	1,254	-	-	-
Vote 7 - Road Transport		(6,049)	-	1,354	6,811	6,811	6,811	6,811	2,209	420	439
Vote 8 - Waste Management		-	-	540	5,832	5,832	5,832	5,832	7,899	26,896	25,176
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - Community & Social Services		(1,211)	2,972	(2,271)	4,339	4,339	4,339	4,339	880	923	967
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]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		9,601	38,472	11,071	56,944	57,265	57,265	57,265	52,209	49,837	51,240
Total Capital Expenditure - Vote		9,601	38,472	11,071	56,944	57,265	57,265	57,265	52,209	49,837	51,240
Capital Expenditure - Functional											
Governance and administration		(11,665)	(13,168)	(3,773)	209	530	530	1,306,073	900	944	988
Executive and council		(7,182)	799	748	-	-	-	(5,467)	-	-	-
Finance and administration		(4,491)	(13,967)	(3,909)	209	530	530	1,312,143	900	944	988
Internal audit		7	-	(611)	-	-	-	(604)	-	-	-
Community and public safety		3,460	1,245	(2,271)	4,339	4,339	4,339	11,685	880	923	967
Community and social services		3,460	1,245	-	3,489	3,489	3,489	13,956	-	-	-
Sport and recreation		-	-	(2,271)	850	850	850	(2,271)	880	923	967
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		(10,720)	1,726	1,354	6,811	6,811	6,811	9,057	2,209	420	439
Planning and development		(4,671)	1,726	-	-	-	-	3,497	-	-	-
Road transport		(6,049)	-	1,354	6,811	6,811	6,811	5,560	2,209	420	439
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		28,526	48,669	15,762	45,586	45,586	45,586	149,906	48,220	47,550	48,845
Energy sources		5,410	8,257	3,788	18,500	18,500	18,500	28,700	8,844	210	220
Water management		18,565	29,123	3,528	20,000	20,000	20,000	90,567	31,477	20,444	23,450
Waste water management		4,550	11,288	7,906	1,254	1,254	1,254	28,588	-	-	-
Waste management		-	-	540	5,832	5,832	5,832	2,051	7,899	26,896	25,176
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	9,601	38,472	11,071	56,944	57,265	57,265	1,476,720	52,209	49,837	51,240
Funded by:											
National Government		29,283	46,433	14,510	56,568	56,568	56,568	172,791	50,559	48,106	49,428
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	29,283	46,433	14,510	56,568	56,568	56,568	172,791	50,559	48,106	49,428
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		(19,682)	(7,961)	(3,439)	376	697	697	1,303,928	1,650	1,731	1,812
Total Capital Funding	7	9,601	38,472	11,071	56,944	57,265	57,265	1,476,720	52,209	49,837	51,240

FS161 Letsemeng - Table A6 Budgeted Financial Position

Description		Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
ASSETS												
Current assets												
Cash and cash equivalents			3,345	3,025	20,127	941	5,324	5,324	44,047	(32,733)	(8,824)	(33,020)
Trade and other receivables from exchange transactions	1		12,478	26,398	96,580	76,962	101,758	101,758	138,811	20,946	22,341	21,609
Receivables from non-exchange transactions	1		60,721	70,802	25,291	5,384	(16,838)	(16,838)	43,119	22,798	23,875	26,864
Current portion of non-current receivables			360	435	516	-	-	-	675	-	-	-
Inventory	2		2,754	2,181	1,760	2,181	2,181	2,181	2,518	7,550	7,829	7,788
VAT			51,489	57,926	75,226	-	-	-	85,535	22,326	18,507	19,630
Other current assets			25	10,843	11,768	3	3	3	(129)	-	-	-
Total current assets			131,171	171,610	231,268	85,471	92,428	92,428	314,576	40,887	63,728	42,872
Non current assets												
Investments			-	-	-	-	-	-	-	-	-	-
Investment property			77,825	66,425	66,425,069.00	77,119	77,119	77,119	66,425	2,937	3,081	3,226
Property, plant and equipment	3		702,958	704,752	682,590	761,797	761,996	761,996	711,302	1,415,624	1,453,164	1,523,647
Biological assets			-	-	-	-	-	-	-	-	-	-
Living and non-living resources			-	-	-	-	-	-	-	-	-	-
Heritage assets			1,022	1,022	1,022	15	15	15	1,022	164,790	172,864	180,989
Intangible assets			(628)	(2,418)	(2,442)	354	477	477	(2,036)	50	52	55
Trade and other receivables from exchange transactions			-	-	-	-	-	-	-	432	451	472
Non-current receivables from non-exchange transactions			-	-	-	-	-	-	-	-	-	-
Other non-current assets			-	-	-	-	-	-	-	-	-	-
Total non current assets			781,177	769,781	747,596	839,286	839,607	839,607	776,713	1,583,833	1,629,613	1,708,388
TOTAL ASSETS			912,348	941,391	978,863	924,757	932,035	932,035	1,091,289	1,624,720	1,693,341	1,751,260
LIABILITIES												
Current liabilities												
Bank overdraft			1,182	1,182	1,182	-	-	-	1,182	-	-	-
Financial liabilities			(445)	(323)	(339)	177,057	177,057	177,057	(280)	-	-	-
Consumer deposits			739	860	960	860	860	860	1,031	-	-	-
Trade and other payables from exchange transactions	4		128,757	162,993	185,517	61,455	28,058	28,058	217,247	14,831	10,784	11,598
Trade and other payables from non-exchange transaction	5		15,776	5,244	25,013	-	-	-	70,966	(9,000)	-	-
Provision			6,037	6,037	9,669	24,665	24,665	24,665	9,669	-	-	-
VAT			55,879	60,908	69,939	2,982	-	-	76,487	12,526	13,359	13,755
Other current liabilities			-	-	-	-	-	-	-	-	-	-
Total current liabilities			207,925	236,902	291,940	267,019	230,639	230,639	376,301	18,357	24,143	25,352
Non current liabilities												
Financial liabilities	6		338	307	767	-	-	-	106	-	-	-
Provision	7		3,867	6,908	6,840	12,946	12,946	12,946	6,840	-	-	-
Long term portion of trade payables			-	-	-	-	-	-	-	-	-	-
Other non-current liabilities			1,827	2,372	2,523	4,403	4,403	4,403	2,523	-	-	-
Total non current liabilities			6,033	9,588	10,131	17,349	17,349	17,349	9,470	-	-	-
TOTAL LIABILITIES			213,958	246,491	302,071	284,368	247,988	247,988	385,771	18,357	24,143	25,352
NET ASSETS			698,390	694,900	676,793	640,389	684,047	684,047	705,518	1,606,363	1,669,197	1,725,908
COMMUNITY WEALTH/EQUITY												
Accumulated surplus/(deficit)	8		715,632	712,687	694,731	644,792	687,704	687,704	722,778	1,606,363	1,669,197	1,725,908
Reserves and funds	9		(15,414)	(15,414)	(15,414)	-	-	-	(15,414)	-	-	-
Other			-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	10		700,218	697,272	679,316	644,792	687,704	687,704	707,364	1,606,363	1,669,197	1,725,908

FS161 Letsemeng - Table A7 Budgeted Cash Flows

2023/24 Medium Term Revenue & Expenditure Framework												
Description		Ref	2019/20	2020/21	2021/22	Current Year 2022/23				Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome			
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates			–	–	–	18,223	18,223	18,223	–	19,188	20,129	21,075
Service charges			–	–	–	52,800	52,810	52,810	–	61,006	68,796	62,552
Other revenue			–	–	–	594	518	518	–	835	875	916
Transfers and Subsidies - Operational		1	193	198	37,370	90,897	90,897	90,897	55,870	95,791	101,830	96,708
Transfers and Subsidies - Capital		1	–	–	–	57,519	57,519	57,519	–	42,543	48,106	49,428
Interest			–	–	–	12,292	12,292	12,292	–	10,852	11,364	12,832
Dividends			–	–	–	11	11	11	–	12	13	13
Payments												
Suppliers and employees			3,495	3,495	3,618	(126,851)	(161,352)	(161,352)	(3,618)	(198,828)	(207,494)	(228,136)
Interest			–	–	–	(7,095)	(8,974)	(8,974)	–	(9,449)	(9,912)	(10,378)
Transfers and Subsidies		1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES			3,688	3,693	40,988	98,390	61,944	61,944	52,252	21,951	33,707	5,010
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables			–	–	–	–	–	–	–	(432)	(19)	(20)
Decrease (increase) in non-current investments			–	–	–	–	–	–	–	–	–	–
Payments												
Capital assets			–	–	–	56,944	57,265	57,265	–	(52,209)	(43,342)	(47,207)
NET CASH FROM/(USED) INVESTING ACTIVITIES			–	–	–	56,944	57,265	57,265	–	(52,641)	(43,361)	(47,227)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans			–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing			–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits			–	–	–	–	–	–	–	96	75	48
Payments												
Repayment of borrowing			–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES			–	–	–	–	–	–	–	96	75	48
NET INCREASE/ (DECREASE) IN CASH HELD			3,688	3,693	40,988	155,334	119,209	119,209	52,252	(30,594)	(9,579)	(42,168)
Cash/cash equivalents at the year begin:		2	–	–	–	–	–	–	–	1,160	(29,434)	(39,013)
Cash/cash equivalents at the year end:		2	3,688	3,693	40,988	155,334	119,209	119,209	52,252	(29,434)	(39,013)	(81,182)

FS161 Letsemeng - Table A8 Cash backed reserves/accumulated surplus reconciliation

2023/24 Medium Term Revenue & Expenditure Framework												
Description		Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available												
Cash/cash equivalents at the year end		1	3,688	3,693	40,988	155,334	120,369	119,209	52,252	(32,733)	(42,090)	(75,669)
Other current investments > 90 days			(1,525)	(1,850)	(22,042)	(154,393)	(115,045)	(113,885)	(9,386)	(0)	33,266	42,649
Non current investments		1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:			2,163	1,843	18,946	941	5,324	5,324	42,866	(32,733)	(8,824)	(33,020)
Application of cash and investments												
Trade payables from Non-ex change transactions: Other			-	-	-	-	-	-	-	-	-	-
Unspent borrowing			-	-	-	-	-	-	-	-	-	-
Statutory requirements		2										
Other working capital requirements		3	128,757	162,993	185,517	5,356	(5,527)	(5,527)	217,247	(4,893)	(9,990)	(10,973)
Other provisions												
Long term investments committed		4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		5										
Total Application of cash and investments:			128,757	162,993	185,517	5,356	(5,527)	(5,527)	217,247	(4,893)	(9,990)	(10,973)
Surplus(shortfall)			(126,593)	(161,150)	(166,571)	(4,415)	10,852	10,852	(174,382)	(27,840)	1,166	(22,047)

FS161 Letsemeng - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	50;760	65;962	80;313	18;876	19;197	19;197	10;294	1;731	1;812
Roads Infrastructure		12;066	12;066	12;066	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		399	8;656	12;443	18;500	18;500	18;500	8;644	-	-
Water Supply Infrastructure		77	77	1;038	-	-	-	-	-	-
Sanitation Infrastructure		12;490	13;165	13;165	-	-	-	-	-	-
Solid Waste Infrastructure		430	430	730	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		25;462	34;394	39;443	18;500	18;500	18;500	8;644	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	(1;588)	(1;572)	177	300	300	50	52	55
Intangible Assets		-	(1;588)	(1;572)	177	300	300	50	52	55
Computer Equipment		(5;041)	(13;796)	(4;949)	31	230	230	550	577	604
Furniture and Office Equipment		(13;759)	(2;971)	(4;284)	-	-	-	-	-	-
Machinery and Equipment		(61)	5;762	6;768	167	167	167	750	787	824
Transport Assets		82	82	830	-	-	-	300	315	329
Total Upgrading of Existing Assets	6	229;312	267;943	273;805	38;068	38;068	38;068	41;915	21;210	24;252
Roads Infrastructure		9;862	11;589	12;902	6;644	6;644	6;644	1;809	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		5;673	5;673	5;673	-	-	-	-	-	-
Water Supply Infrastructure		48;234	72;150	75;070	20;000	20;000	20;000	31;327	20;287	23;285
Sanitation Infrastructure		(9;551)	1;062	7;756	1;254	1;254	1;254	-	-	-
Solid Waste Infrastructure		1;081	1;081	1;321	5;832	5;832	5;832	7;899	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		55;300	91;554	102;721	33;729	33;729	33;729	41;035	20;287	23;285
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		12;246	13;491	11;220	4;339	4;339	4;339	880	923	967
Community Assets		12;246	13;491	11;220	4;339	4;339	4;339	880	923	967
Total Capital Expenditure	4	1;402;762	1;441;235	1;452;306	56;944	57;265	57;265	52;209	22;941	26;064
Roads Infrastructure		1;116;078	1;102;458	1;098;878	6;644	6;644	6;644	1;809	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		9;199	17;456	21;244	18;500	18;500	18;500	8;644	-	-
Water Supply Infrastructure		48;594	72;510	76;390	20;000	20;000	20;000	31;327	20;287	23;285
Sanitation Infrastructure		13;912	25;200	31;894	1;254	1;254	1;254	-	-	-
Solid Waste Infrastructure		1;511	1;511	2;051	5;832	5;832	5;832	7;899	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		1;189;295	1;219;135	1;230;457	52;229	52;229	52;229	49;679	20;287	23;285
Community Facilities		2;647	2;647	2;647	-	-	-	-	-	-
Sport and Recreation Facilities		12;246	13;491	11;220	4;339	4;339	4;339	880	923	967
Community Assets		14;893	16;138	13;867	4;339	4;339	4;339	880	923	967
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		171;772	172;903	164;889	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		171;772	172;903	164;889	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1;007	(581)	(565)	177	300	300	50	52	55
Intangible Assets		1;007	(581)	(565)	177	300	300	50	52	55
Computer Equipment		(5;041)	(13;796)	(4;949)	31	230	230	550	577	604
Furniture and Office Equipment		(13;759)	(2;971)	(4;284)	-	-	-	-	-	-
Machinery and Equipment		436	6;246	7;984	167	167	167	750	787	824
Transport Assets		82	82	830	-	-	-	300	315	329
Land		44;078	44;078	44;078	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class										
		1;402;762	1;441;235	1;452;306	56;944	57;265	57;265	52;209	22;941	26;064

FS161 Letsemeng - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
ASSET REGISTER SUMMARY - PPE (WDV)	5	781;177	769;781	747;596	839;286	839;607	839;607	1;583;401	1;629;161	1;707;916
Roads Infrastructure		1;076;435	1;038;283	1;039;530	6;644	6;644	6;644	1;381;337	1;447;125	1;515;140
Storm water Infrastructure		-	(15)	(15)	-	-	-	(5;301)	(5;561)	(5;822)
Electrical Infrastructure		9;199	17;456	21;244	1;558;140	1;558;140	1;558;140	7;412	(1;292)	(1;352)
Water Supply Infrastructure		(487;920)	(465;928)	(496;315)	20;000	20;000	20;000	26;663	15;395	18;163
Sanitation Infrastructure		2;939	14;243	20;937	1;254	1;254	1;254	(4;664)	(4;892)	(5;122)
Solid Waste Infrastructure		1;511	1;511	2;051	5;832	5;832	5;832	4;327	(3;747)	(3;923)
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	(4;664)	(4;892)	(5;122)
Information and Communication Infrastructure		969	(386)	4;684	-	120	120	(4;164)	(4;368)	(4;573)
Infrastructure		603;132	605;165	592;115	1;591;869	1;591;989	1;591;989	1;400;947	1;437;767	1;507;387
Community Assets		13;737	15;061	14;111	4;339	4;339	4;339	(351)	(369)	(386)
Heritage Assets		1;022	1;022	1;022	15	15	15	164;790	172;864	180;989
Investment properties		77;825	66;425	66;425	77;119	77;119	77;119	2;937	3;081	3;226
Other Assets		61;224	50;463	37;353	-	-	-	6;576	6;899	7;223
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		(628)	(2;418)	(2;442)	354	477	477	50	52	55
Computer Equipment		-	-	1	-	-	-	(981)	(1;029)	(1;078)
Furniture and Office Equipment		(19;808)	(16;420)	(13;958)	(834;578)	(834;499)	(834;499)	(1;429)	(1;499)	(1;569)
Machinery and Equipment		513	6;323	8;061	167	167	167	(2;136)	(2;241)	(2;206)
Transport Assets		82	82	830	-	-	-	(419)	(440)	(460)
Land		44;078	44;078	44;078	-	-	-	13;418	14;075	14;737
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	781;177	769;781	747;596	839;286	839;607	839;607	1;583;401	1;629;161	1;707;916
EXPENDITURE OTHER ITEMS		40;345	971	932	57;944	57;175	57;175	57;632	60;456	63;298
Depreciation	7	40;305	201	39	51;360	51;360	51;360	54;082	56;732	59;399
Repairs and Maintenance by Asset Class	3	40	770	893	6;584	5;815	5;815	3;550	3;724	3;899
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure	7	-	618	258	5;734	5;530	5;530	1;100	1;154	1;208
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	0	(0)	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure	8	618	258	5;734	5;530	5;530	5;530	1;100	1;154	1;208
Community Facilities	333	-	461	484	-	-	-	1;500	1;574	1;647
Sport and Recreation Facilities	(301)	-	50	105	50	50	50	300	315	329
Community Assets	32	-	511	588	50	50	50	1;800	1;888	1;977
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	152	-	52	25	25	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	152	-	52	25	25	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	124	210	210	210	650	682	714
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		40;345	971	932	57;944	57;175	57;175	57;632	60;456	63;298
Renewal and upgrading of Existing Assets as % of total capex		96.4%	95.4%	94.5%	66.9%	66.5%	66.5%	80.3%	92.5%	93.0%
Renewal and upgrading of Existing Assets as % of deprecn		3354.4%	682873.5%	3487259.5%	74.1%	74.1%	74.1%	77.5%	37.4%	40.8%
R&M as a % of PPE & Investment Property		0.0%	0.1%	0.1%	0.8%	0.7%	0.7%	0.3%	0.3%	0.3%
Renewal and upgrading and R&M as a % of PPE and Investme		173.2%	178.4%	183.3%	5.3%	5.2%	5.2%	3.2%	1.7%	1.8%

FS161 Letsemeng - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets	1									
Water:										
Piped water inside dwelling		-	-	-	13,608	13,608	13,608	13,608	13,608	13,608
Piped water inside yard (but not in dwelling)		-	-	-	11,608	11,212	11,212	11,212	11,212	11,212
Using public tap (at least min.service level)	2	-	-	-	3,082	2,686	2,686	2,686	2,686	2,686
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	28,298	27,506	27,506	27,506	27,506	27,506
Using public tap (< min.service level)	3	-	-	-	311,121	311,121	311,121	4,471,200	4,471,200	4,471,200
Other water supply (< min.service level)	4	-	-	-	135,270	135,270	135,270	2,217,053	2,217,053	2,217,053
No water supply		-	-	-	311,121	311,121	311,121	4,471,200	4,471,200	4,471,200
<i>Below Minimum Service Level sub-total</i>		-	-	-	757,512	757,512	757,512	11,159,453	11,159,453	11,159,453
Total number of households	5	-	-	-	785,810	785,018	785,018	11,186,959	11,186,959	11,186,959
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	-	-	16,376	16,376	16,376	16,376	16,376	16,376
Flush toilet (with septic tank)		-	-	-	608	608	608	608	608	608
Chemical toilet		-	-	-	102	102	102	102	102	102
Pit toilet (ventilated)		-	-	-	2,370	2,370	2,370	2,370	2,370	2,370
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	19,456	19,456	19,456	19,456	19,456	19,456
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	19,456	19,456	19,456	19,456	19,456	19,456
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
<i>Minimum Service Level and Above sub-total</i>		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
Electricity (< min.service level)		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
Total number of households	5	-	-	-	22,000	22,000	22,000	22,000	22,000	22,000
Refuse:										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
Using communal refuse dump		-	-	-	11,000	11,000	11,000	11,000	11,000	11,000
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	22,000	22,000	22,000	22,000	22,000	22,000
Total number of households	5	-	-	-	22,000	22,000	22,000	22,000	22,000	22,000
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	2,400	2,400	2,400	2,400	2,400	2,400
Sanitation (free minimum level service)		-	-	-	2,400	2,400	2,400	2,400	2,400	2,400
Electricity/other energy (50kwh per household per month)		-	-	-	2,400	2,004	2,004	2,004	2,004	2,004
Refuse (removed at least once a week)		-	-	-	2,400	2,004	2,004	2,004	2,004	2,004
<i>Informal Settlements</i>		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided	8	-	-	-	-	-	-	-	-	-
Highest level of free service provided per household										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		(2,386)	(1,854)	(1,955)	-	(2,003)	(2,003)	(2,129)	(2,233)	(2,338)
Water (in excess of 6 kilolitres per indigent household per month)		-	(5,668)	0	-	(7,465)	(7,465)	(8,585)	(9,005)	(9,429)
Sanitation (in excess of free sanitation service to indigent households)		544	(1,877)	-	-	(2,100)	(2,100)	(2,414)	(2,521)	(2,634)
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	(7)	(4)	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	(1,822)	-	-	(2,096)	(2,096)	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	6	(1,842)	(11,229)	(1,959)	-	(13,664)	(13,664)	(13,128)	(13,759)	(14,401)

PART 2

2.1. BUDGET PROCESS

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e., in August 2022 a time schedule that sets out the process to revise the IDP and prepare the annual budget.

The Mayor tabled the required IDP process plan and budget time schedule in line with the applicable legislation. However, adherence to these plans was not achieved as the processes were not undertaken exactly at the dates that were indicated in the plans.

Consultations took place after the draft annual budget and revised Integrated Development Plan were tabled to Council in March 2023.

2.2. Alignment of the Annual Budget with the Integrated Development Plan

The annual review of the Integrated Development Plan is a legislative requirement in terms of section 34 of the Municipal Systems Act. It stipulates that a Municipal Council must review its integrated plan annually in accordance with an assessment of its performance measurements in terms of section 41; and to the extent that changing circumstances so demand; and may amend its integrated development plan in accordance with a prescribed process.

The Annual Budget and the IDP are linked to one another, something that has been formalized through the promulgation of the Municipal Finance Management Act in 2003.

In compliance with the Municipal Structures Act and Municipal Finance Management Act the municipality's budget must be informed by and aligned to the IDP objectives. The budgetary allocations for both capital and operating expenditure need to be undertaken in a manner that will not only ensure that the IDP outcomes are achieved but also leads to the municipality's vision being realized. This ensures that the IDP directs the development and implementation of projects.

Over the years, Auditor General has been raising findings that the Integrated Development Plan and Annual Budget are not aligned to each other. Furthermore, the Key Performance Indicators were not measurable and with no target dates. The performance management system is now effective at the municipality as there is a dedicated unit or official entrusted with performance management.

2.3. Measurable performance objectives

Performance Management is a system intended to manage and monitor service delivery progress against the predetermined strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed a performance management system (in the process of implementation) of which system is constantly refined as the integrated planning process unfolds. The measurable performance objectives will be included in the service delivery and budget implementation plan when it is submitted to the Council for approval.

2.4. Overview of the Budget-Related Policies

The Municipal Budget and Reporting Regulations promulgated under the Municipal Finance Management Act 56 of 2003, prescribe the budget-related policies that must be approved together with the budget related policies below:

2.4.1 Credit Control and Debt Collection Policy

The number of indigents registered for the financial year 2022-23 is very low. We are encouraging consumers that qualify for indigent to come forward to register for indigent at the different municipal offices.

Council is encouraging community to annually update their indigent status.

2.4.2 Tariff Policy

The municipality's tariff policy provide a broad framework within which the Council can determine fair, transparent, and affordable charges that also promote sustainable service delivery. NERSA has not yet approved the electricity tariffs for 23/24 financial year but an increase of 15.10% was made based on NERSA guideline. Please refer to the Annexure of Tariff List

2.4.3 Indigent Support Policy

The recommendation is that the threshold be increased to a current value of R5 000 social grants (pensioners, grant in aid, foster child, and care dependency).

2.5. Overview of the budget assumptions

Budgets are prepared in an environment of uncertainty and assumptions need to be made about internal and external factors that could impact on the budget during the course of the financial year. In compiling the 2023-24 Draft Annual Budget, the following key issues and assumptions were taken into consideration and modelled into the budget planning process:

- (a) Economic climate and poverty levels within the municipality will remain the same / constant for major part of the financial year given the limited economic activities with the vicinity;
- (b) Cash flow projections will be strictly maintained to ensure the municipality's ability to meet its financial obligations;
- (c) Operational costs will be maintained at current levels or reduced as cost containment measures and where there is material decrease in revenue collection rate, expenditure will have to be reduced at the same proportion;
- (d) Filling vacant posts was prioritized taking into account the cash flow projections of the municipality.

2.6. Expenditure on allocations and grant programmes

It is the intention of the municipality to spend all of its grant allocations within the current year according to the conditions of such allocations / grants. Performance review will be done during the mid-year budget assessment and where under spending is foreseeable; the necessary procedure will be followed to ensure that spending is done 100%.

DORA GRANTS ALLOCATIONS FOR LETSEMENG MUNICIPALITY FOR 23/24 MTREF

DORA GRANT	ALLOCATED AMOUNT
Equitable Share	R 84 906 000
Water Services Infrastructure Grant	R 31 327 000
Municipal Infrastructure Grant	R 19 688 000
Expanded Public Works Programme	R 950 000
Integrated National Electrification Grant	R 528 000
Financial Management Grant	R 3 000 000
Provincial Grant	R 2 935 000
Energy Efficient Demand Management Side	R 4 000 000.00

All the grants allocated are conditional i.e., have to meet an obligation except Equitable Share grant which is unconditional.

2.7. Councillor and board members allowances and employee benefits

The Municipal System Act, section 66(1) requires the Municipal Manager to approve a staff establishment for the municipality within a policy framework determined by the municipal council and subject to any applicable legislation. The act further requires the Municipal Manager to provide a job description for each post on the staff establishment and to attach to those posts the remuneration and other conditions of service as may be determined in accordance with any applicable labour legislation.

The Senior Managers, in consultation and with concurrence of the Municipal Manager have reviewed the structure of their respective departments.

- (a) Employee costs will increase from **R 73 053 000** (2022-23 adjustment budget) to **R 79 080 566**.
- (b) The Council Remuneration of **R 5 446 460** for 2023/24 is the estimated amount.

2.8. Monthly targets of revenue, expenditure, and cash flow

The municipality has over the years been in a position to bill all its budgeted revenue. This meant that the municipality had to prioritise its spending as the spending is informed by availability of cash. Therefore, the spending on operational expenditure has been marginally less than anticipated due to cash flow constraints.

2.9. Annual budgets and service delivery budgets and implementation plan: internal departments

The departmental service delivery implementation plan are at a draft stage and will be completed after adoption of the annual budget in order to form the high level of the municipal service delivery and budget implementation plan to be approved by the mayor, 28 days after the annual budget has been approved.

2.10. Contracts having future budgetary implications.

In terms of the municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation or Adjudication committees must obtain formal financial comments from the Budget and Treasury Office.

2.11. Capital expenditure details.

The total capital expenditure budget of the municipality is R 52 158 600, and it is funded from the following funding sources:

- Municipal Water System Infrastructure Grant is allocated at **R 31 327 000**
- Integrated National Electrification Programme is allocated **R 528 000**
- Municipal Infrastructure Grant is allocated **R 19 688 000**
- Internally generated funds amount to **R 1 650 000**

Below are planned projects for the coming financial year 2023-24 under MIG.

- | | |
|---|------------------|
| • Project Management Unit | : R 984 400 |
| • Bolokanang High Mast lights (4) | : R 1 877 671.77 |
| • Dithake High Mast Lights (4) | : R 1 877 671.77 |
| • Relebohile High Mast Lights (3) | : R 1 600 000.00 |
| • Oppermansgronde High Mast Lights (3) | : R 1 082 540.68 |
| • Ratanang High Mast Lights (4) | : R 1 677 671.77 |
| • Sonwabile Upgrading of Sports Facility (Phase 2) | : R 800 000.00 |
| • Luckhoff Closure of existing solid waste site and construction
Of new solid waste facility | : R 7 899 072.69 |
| • Bolokanang Upgrading of 1.72 km access paved road and
Storm water | : R 1 808 971.32 |

:

The following are budget projects under Integrated National Energy Programme

- | | |
|---|-------------|
| • Electrification of 170 households' connection in Phambili | : R 200 000 |
| • Electrification of 34 infills households' connection – Donkerhoek | : R 328 000 |

The following is the budgeted project for Water Service Infrastructure Grant:

- | | |
|--|----------------------|
| • Koffiefontein and Dithake bulk water storage (4.9ML Reservoir) | : R31 327 000 |
|--|----------------------|

2.12. Legislation compliance

There has been substantial improvement in terms of compliance. Reporting to National Treasury in electronic format was fully complied with on a monthly basis where there have been challenges of compliance; such challenges were reported to Provincial Treasury.

2.12.1. In year reporting

It is the intention of the municipality (Councillors and Management) to move beyond compliance but rather focus on the quality of reports that are required in terms of various legislations.

2.12.2. Internship programme

The municipality is participating in the Municipal Financial Management Internship programme funded by Finance Management Grant and has employed five interns undergoing training in various divisions of the Budget and Treasury Office.

The municipality is expected to receive **R3 000 000** of Financial Management Grant.

2.12.3 Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

2.12.4. Audit & Risk Committee

Municipality make use of the in-house Audit and Risk Committee which was established in the financial year 2017-18.

2.12.5 Service Delivery Budget and Implementation Plan

The detailed SDBIP document will be finalized after approval of the 2023-24 Annual Budget in June 2023.

2.13. Other supporting documents

The documents mentioned below are attached as annexures to the annual budget:

- Tariff list
- Indigent Policy
- Property Rates Policy

2.14. Municipal Manager's quality certificate

The Municipal Manager's quality certificate as required by the Municipal Budget and Reporting Regulations is attached in the next page.

Quality Certificate for 2023-24 Final Annual Budget

I, **Kadimo Masekoane** the Municipal Manager of Letsemeng Local Municipality (FS161), hereby certify that the final annual budget for the 2023-24 financial years has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Final annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Name : Kadimo Masekoane

Municipality and Code : Letsemeng Local Municipality FS161

Date : 30 June 2023

Signature



LETSEMENG LOCAL MUNICIPALITY



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9986