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Statistical release

P9114

Financial census of municipalities

for the year ended 30 June 2021

Please note:

This is the first Financial Census of Municipalities (P9114) publication that is based on the municipal standard chart of accounts (mSCOA) classification. See annexure A for further details on this.

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IMPROVING LIVES THROUGH DATA ECOSYSTEMS



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Technical notes

Response rates for the 2021 financial year per province

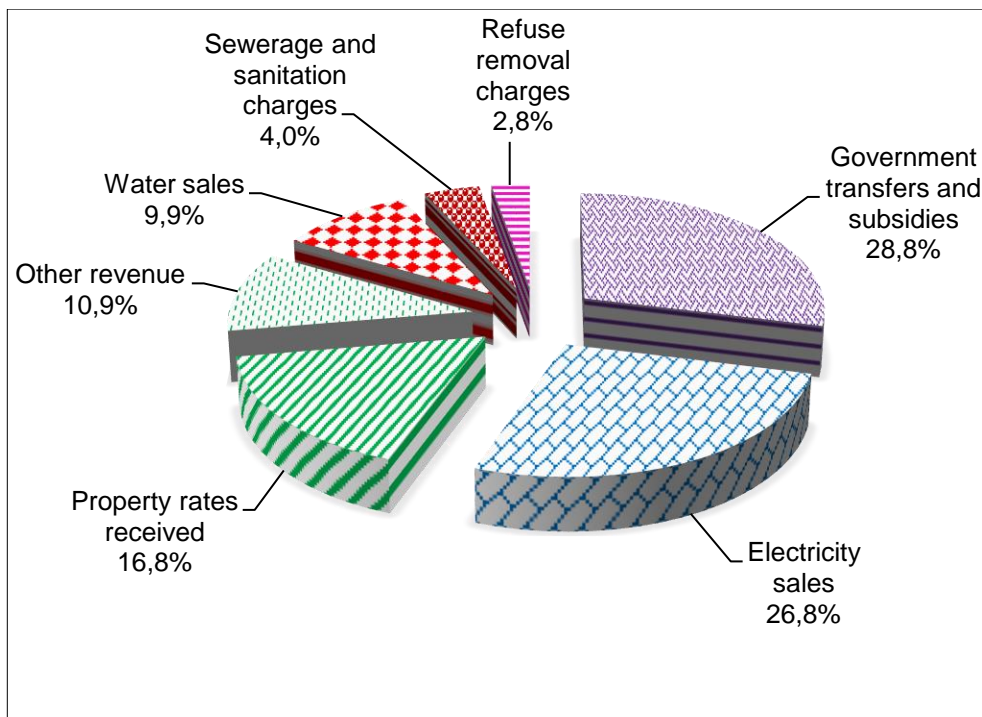
Province	Municipalities					
	Metropolitan municipalities (MMs)	District municipalities (DMs)	Local municipalities (LMs)	Response per province	Total per province	Response rate
Western Cape	1	5	24	30	30	100%
Eastern Cape	2	6	31	39	39	100%
Northern Cape	0	5	25	30	31	97%
Free State	1	4	16	21	23	91%
KwaZulu-Natal	1	10	43	54	54	100%
North West	0	4	18	22	22	100%
Gauteng	3	2	6	11	11	100%
Mpumalanga	0	3	17	20	20	100%
Limpopo	0	5	22	27	27	100%
Total	8	44	202	254	257	99%

The following municipalities did not respond and their annual financial statements (AFS) were not available/received by the cut-off date (5 July 2022):

Province	Municipality name	AFS submitted for 2020?	AFS submitted for 2021?
Free State	Kopanong local municipality	Yes	No
Free State	Masilonyana local municipality	No	No
Northern Cape	Phokwane local municipality	Yes	No

Key findings

Figure A – Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2020^{*1}

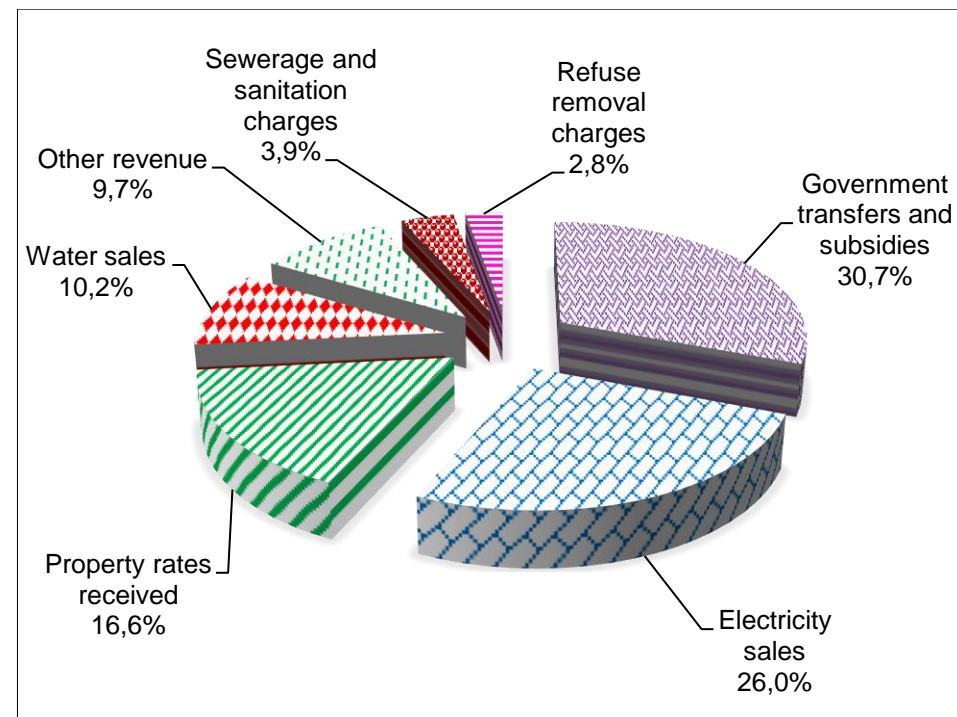


^{*}Some figures have been revised.

¹The sum of percentages might not add up to 100% due to rounding off of figures.

Figure A above shows that the largest contributor to total municipal revenue of R424 178 million (total revenue less deficit: see tables in Part 3) for the year ended 30 June 2020 was 'government transfers and subsidies' (28,8%), followed by 'electricity sales' (26,8%), 'property rates received' (16,8%), 'other revenue' (10,9%) (which consists of fines, penalties and forfeits, licences and permits, other transfers and subsidies, etc.), and 'water sales' (9,9%). 'Sewerage and sanitation charges' (4,0%) and 'refuse removal charges' (2,8%) were the smallest contributors.

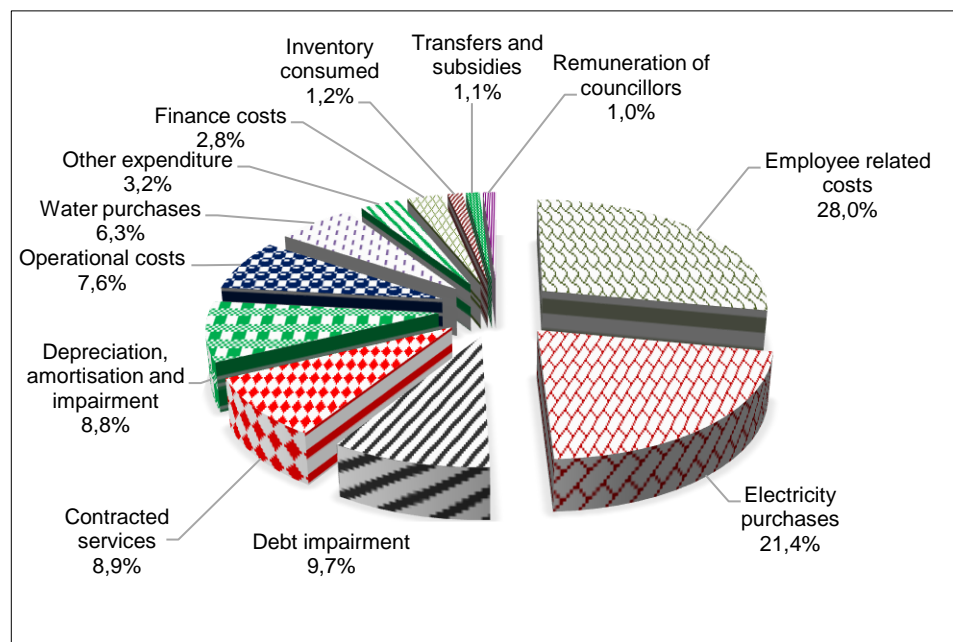
Figure B – Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2021¹



¹The sum of percentages might not add up to 100% due to rounding off of figures.

Figure B above shows that the largest contributor to total municipal revenue of R453 653 million (total revenue less deficit: see tables in Part 3) for the year ended 30 June 2021 was 'government transfers and subsidies' (30,7%), followed by 'electricity sales' (26,0%), 'property rates received' (16,6%), 'water sales' (10,2%), and 'other revenue' (9,7%) (which consists of fines, penalties and forfeits, licences and permits, other transfers and subsidies, etc.). 'Sewerage and sanitation charges' (3,9%) and 'refuse removal charges' (2,8%) were the smallest contributors.

Figure C – Municipal operating expenditure as a percentage of total expenditure for the year ended 30 June 2020¹

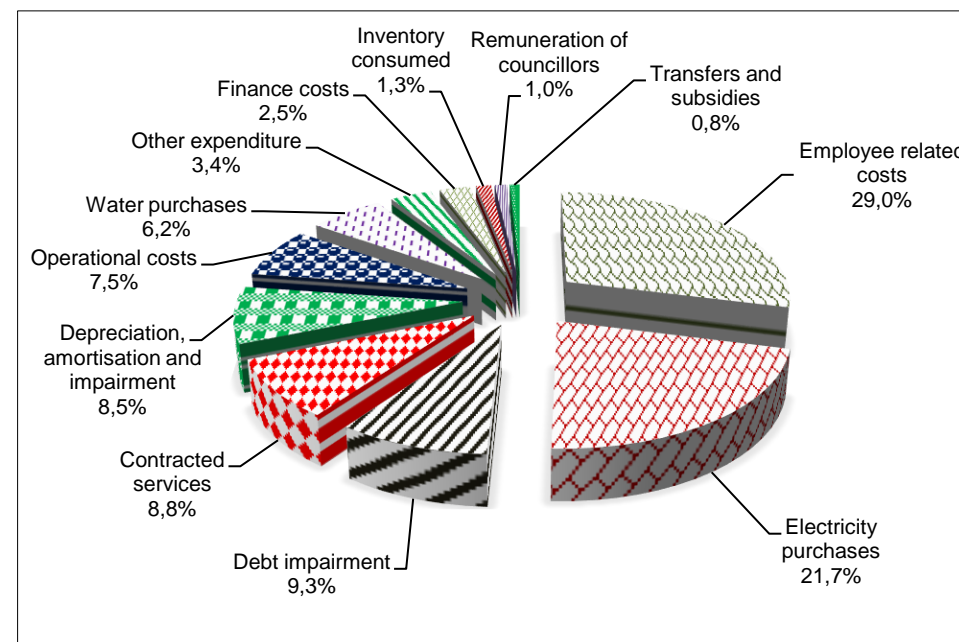


*Some figures have been revised.

¹The sum of percentages might not add up to 100% due to rounding off of figures.

As depicted in Figure C above, in 2020 the largest contributor to municipal total operating expenditure of R417 335 million (total expenditure less surplus: see tables in Part 3) was 'employee-related costs' (28,0%), followed by 'electricity purchases' (21,4%), 'debt impairment' (9,7%), 'contracted services' (8,9%), 'depreciation, amortisation and impairment' (8,8%), 'operational costs' (7,6%) (which consists of travel and subsistence, external audit fees, bank charges and card fees, communication, wet fuel, hire charges, insurance underwriting, etc.), and 'water purchases' (6,3%). The smallest contributors were 'remuneration of councillors' (1,0%), 'transfers and subsidies' (1,1%), 'inventory consumed' (1,2%), 'finance costs' (2,8%), and 'other expenditure' (3,2%) ('other expenditure' consists of loss on disposal of assets, operating leases, etc.).

Figure D – Municipal operating expenditure as a percentage of total expenditure for the year ended 30 June 2021¹



¹The sum of percentages might not add up to 100% due to rounding off of figures.

As depicted in Figure D above, in 2021 the largest contributor to municipal total operating expenditure of R437 984 million (total expenditure less surplus: see tables in Part 3) was 'employee-related costs' (29,0%), followed by 'electricity purchases' (21,7%), 'debt impairment' (9,3%), 'contracted services' (8,8%), 'depreciation, amortisation and impairment' (8,5%), 'operational costs' (7,5%) (which consists of travel and subsistence, external audit fees, bank charges and card fees, communication, wet fuel, hire charges, insurance underwriting, etc.), and 'water purchases' (6,2%). The smallest contributors were 'transfers and subsidies' (0,8%), 'remuneration of councillors' (1,0%), 'inventory consumed' (1,3%), 'finance costs' (2,5%), and 'other expenditure' (3,4%) ('other expenditure' consists of loss on disposal of assets, operating leases, etc.).

Table 1 – Acid test ratio

Year	Acid test ratio of municipalities for the financial years ended 30 June 2020 and 30 June 2021		
	Current assets minus inventory	Current liabilities	Acid test ratio
	R million	R million	
2020*	148 687	176 898	0,84
2021	156 070	184 062	0,85

*Some figures have been revised.

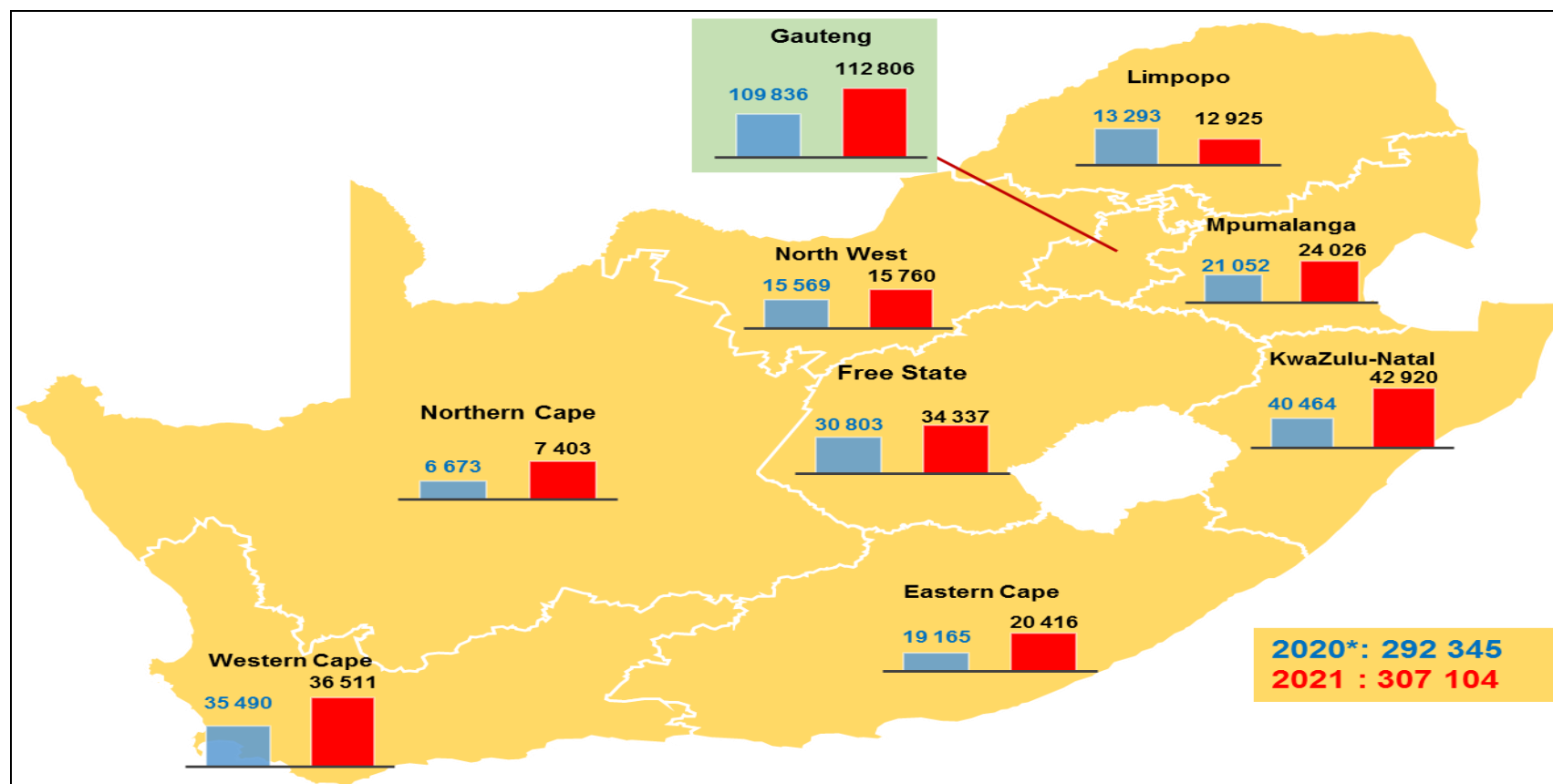
Table 1 above reflects the acid test ratio (current assets minus inventory divided by current liabilities). An acid test ratio, also known as a quick ratio, measures the ability of an institution to use its current assets to cover its immediate liabilities (current obligations) without disposing of inventory. For the financial years ended 30 June 2020 and 30 June 2021, municipalities had acid test ratios of 0,84 and 0,85 respectively.

Table 2 – Current ratio

Year	Current ratio of municipalities for the financial years ended 30 June 2020 and 30 June 2021		
	Current assets	Current liabilities	Current ratio
	R million	R million	
2020*	156 942	176 898	0,89
2021	164 770	184 062	0,90

*Some figures have been revised.

Table 2 above reflects the current ratio (also called the working capital ratio). The ratio measures the extent to which current assets provide cover to meet current liabilities. For the financial years ended 30 June 2020 and 30 June 2021, municipalities had current ratios of 0,89 and 0,90 respectively.

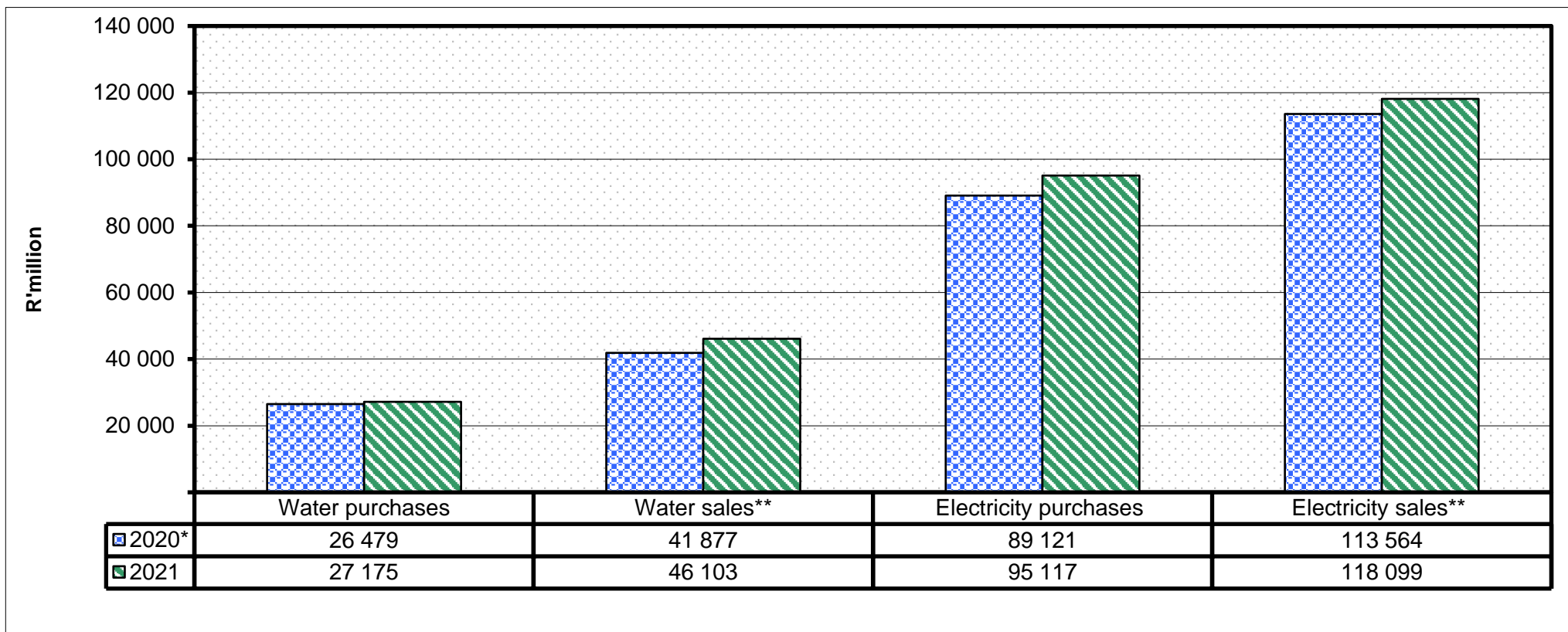
Figure E – Municipal total liabilities per province as at 30 June 2020* and 30 June 2021 (R million)

*Some figures have been revised.

As at 30 June 2021, municipalities owed their lenders, suppliers and other creditors a combined amount of R307 104 million, 5,0% more than what they owed as at 30 June 2020. The provinces which showed the highest percentage increases between 2020 and 2021 were Mpumalanga (14,1%), Free State (11,5%), Northern Cape (10,9%), Eastern Cape (6,5%), and KwaZulu-Natal (6,1%).

The provinces which had the lowest percentage increases between 2020 and 2021 were North West (1,2%), Gauteng (2,7%), and Western Cape (2,9%). Limpopo is the only province with a decrease (-2,8%).

The above municipal total liabilities exclude net assets (accumulated surplus/(deficit), non-controlling interest as well as reserves and funds) as outlined in part 1 of the statistical release.

Figure F – Purchases and sales of water and electricity for the financial years ended 30 June 2020 and 30 June 2021

*Some figures have been revised.

**Sales of water and electricity are net of rebates (income forgone) for these services.

Purchases of water increased from R26 479 million in 2020 to R27 175 million in 2021 (2,6%), and sales of water increased from R41 877 million to R46 103 million (10,1%) over the same period. Purchases of electricity increased from R89 121 million in 2020 to R95 117 million in 2021 (6,7%), and over the same period sales of electricity increased from R113 564 million to R118 099 million (4,0%).

Risenga Maluleke
Statistician-General

Part 1 – Consolidated statement of financial position of municipalities as at 30 June 2020 and 30 June 2021

Net assets and liabilities	2020*(a)	2021(b)	Difference¹
	R'000	R'000	R'000
Net assets			
Accumulated surplus/(deficit)	568 203 908	583 586 497	15 382 589
Non-controlling interest	348 201	329 417	-18 784
Reserves and funds			
Capital replacement reserve	5 619 132	5 400 561	-218 571
Capitalisation reserve	62 615	62 615	0
Compensation for occupational injuries and diseases	353 079	360 712	7 633
Employee benefit reserve	33 429	34 125	696
Housing development fund	986 041	940 625	-45 416
Investment in associate account	0	0	0
Non-current provisions reserve	4 209	5 155	946
Revaluation reserve	28 256 275	30 214 616	1 958 341
Self-insurance reserve	676 564	737 761	61 197
Valuation reserve	1 309	1 309	0
Other reserves and funds	12 018 128	13 084 915	1 066 787
Non-current liabilities			
Deferred tax liabilities	1 450 770	1 415 900	-34 870
Operating lease liability	10 740	7 066	-3 674
Non-current borrowings			
Marketable bonds	18 932 006	16 707 349	-2 224 657
Annuity, bullet and concessionary loans			
Banks	17 779 791	17 463 673	-316 118
Development Bank of Southern Africa (DBSA)	24 937 626	30 504 324	5 566 698
Other sources	3 569 137	3 260 936	-308 201
Finance lease liability	747 413	430 930	-316 483
Non-current employee benefit obligation	21 583 510	24 086 020	2 502 510
Non-current provisions	18 598 654	20 906 759	2 308 105
Other non-current liabilities	7 837 447	8 257 918	420 471
Current liabilities			
Bank overdraft	62 093	200 775	138 682
Consumer deposits	6 941 428	7 400 410	458 982
Current borrowings			
Marketable bonds	850 000	0	-850 000
Current portion of annuity, bullet and concessionary loans			
Banks	3 149 466	2 278 700	-870 766
Development Bank of Southern Africa (DBSA)	3 187 628	2 575 733	-611 895
Other sources	1 078 182	1 069 349	-8 833
Current portion of finance lease liability	850 607	571 501	-279 106
Current employee benefit obligation	3 026 114	3 246 999	220 885
Current provisions	6 222 441	7 054 751	832 310

¹Difference (b-a).

*Some figures have been revised.

**Part 1 – Consolidated statement of financial position of municipalities as at 30 June 2020 and 30 June 2021
(continued)**

Net assets and liabilities	2020*(a)	2021(b)	Difference ¹
	R'000	R'000	R'000
Trade and other payables from exchange transactions			
Advance payments	6 582 004	7 653 902	1 071 898
Retentions	6 333 743	6 803 136	469 393
Trade payables	77 034 107	84 804 734	7 770 627
Other payables	42 089 039	46 028 669	3 939 630
Trade and other payables from non-exchange transactions			
Transfers and subsidies payable	587 340	542 966	-44 374
Transfers and subsidies unspent	11 580 096	7 614 311	-3 965 785
VAT ² payable	5 012 004	4 806 415	-205 589
Other current liabilities ³	2 311 336	1 410 006	-901 330
Total net assets and liabilities	908 907 612	941 861 540	32 953 928

¹Difference (b-a).

²VAT – Value added tax.

³Includes suspense accounts and liabilities not separately listed on the questionnaire.

*Some figures have been revised.

**Part 1 – Consolidated statement of financial position of municipalities as at 30 June 2020 and 30 June 2021
(continued)**

Assets	2020*(a)	2021(b)	Difference ¹
	R'000	R'000	R'000
Non-current assets			
Property, plant and equipment	695 462 581	718 123 743	22 661 162
Heritage assets	5 578 016	5 623 511	45 495
Investment property	30 254 099	30 787 039	532 940
Intangible assets	5 266 689	5 758 286	491 597
Biological assets	352 977	383 589	30 612
Investments			
Deposit taking institutions (Financial institutions)	892 213	1 053 155	160 942
Listed/unlisted bonds and stocks	23 806	26 197	2 391
Interest rate swaps	0	0	0
National government securities	0	0	0
Other investments	8 240 273	8 527 240	286 967
Investments in associates and joint ventures	1 164 616	1 474 959	310 343
Deferred tax assets	1 472 913	1 503 527	30 614
Non-current receivables			
Housing selling schemes	52 731	39 327	-13 404
Bursary obligations	0	0	0
Operating lease	2 444	2 619	175
Consumer receivables	994 190	1 102 873	108 683
Other receivables	202 954	302 885	99 931
Other non-current assets	2 005 491	2 382 566	377 075
Current assets			
Cash and cash equivalents			
Cash at bank	19 159 194	19 289 319	130 125
Call deposits and investments	41 874 413	42 049 249	174 836
Cash on hand	671 084	497 049	-174 035
Current portion of non-current receivables	128 813	131 050	2 237
Operating lease receivables	21 557	26 980	5 423
Inventory	8 254 876	8 700 010	445 134
Receivables from exchange transactions			
Electricity	15 963 936	18 127 267	2 163 331
Waste management	4 451 329	5 011 351	560 022
Waste water management	4 284 521	4 604 101	319 580
Water	14 867 861	16 422 362	1 554 501
Property rental receivables	484 957	525 485	40 528
Prepayments and advances	1 074 666	917 682	-156 984
Other receivables from exchange transactions	13 249 014	13 620 128	371 114
Receivables from non-exchange transactions			
Property rates	16 600 002	17 299 546	699 544
Fines	2 392 421	2 864 671	472 250
Other receivables from non-exchange transactions	5 665 063	5 536 035	-129 028
VAT receivable	7 309 031	8 556 049	1 247 018
Deposits (fuel, ESKOM, etc.)	38 069	60 835	22 766
Other non-current assets ²	450 812	530 855	80 043
Total assets	908 907 612	941 861 540	32 953 928

¹Difference (b-a).

²Includes suspense accounts and assets not separately listed on the questionnaire.

*Some figures have been revised.

Part 2 – Consolidated analysis statement of property, plant and equipment, investment property, intangible assets and biological (cultivated) assets as at 30 June 2021

Description	Carrying value (beginning of the year)	Additions (during the year)	Under construction (during the year)	Revaluations (during the year)	Less: Depreciation, amortisation and impairment (during the year)	Less: Disposals (during the year)	Add: Accumulated depreciation (of assets disposed during the year)	Carrying value (end of the year)
Land and buildings	85 929 808	3 035 877	123 557	89 797	2 226 650	489 455	14 308	86 477 242
Land	43 075 886	348 494	0	-13 511	0	257 510	0	43 153 359
Buildings	42 853 922	2 687 383	123 557	103 308	2 226 650	231 945	14 308	43 323 883
Infrastructure assets	502 267 427	30 649 781	14 710 035	4 245 538	24 061 153	790 384	173 973	527 195 217
Drains	7 241 587	266 587	138 291	69 018	305 139	5 573	1 330	7 406 101
Roads	70 409 812	2 649 705	1 309 836	1 517 173	4 663 551	69 379	25 788	71 179 384
Beach empowerments (development)	230 507	3 948	0	2 949	13 713	0	0	223 691
Sewerage mains and purifications	37 543 256	1 613 198	797 142	854 475	1 626 263	50 799	19 796	39 150 805
Electricity generation	1 667 460	70 618	69 814	0	68 959	3 929	3 903	1 738 907
Electricity mains	32 800 278	1 219 112	365 392	414 961	1 606 627	51 412	18 804	33 160 508
Electricity peak load equipment	7 800 585	486 081	0	83 914	252 535	0	0	8 118 045
Water purification	4 735 129	639 097	3 939	-174 128	203 344	2 240	2 168	5 000 621
Reservoirs – water	1 756 807	227 280	750	31 226	44 952	1 165	966	1 970 912
Water meters	459 863	27 668	348	0	20 546	6 562	0	460 771
Water mains	50 167 818	1 932 040	740 204	369 374	1 810 429	117 759	13 430	51 294 678
Other	287 454 325	21 514 447	11 284 319	1 076 576	13 445 095	481 566	87 788	307 490 794
Community assets	48 852 057	2 436 220	660 568	153 342	2 871 281	130 132	43 098	49 143 872
Parks and gardens	345 491	12 834	105	4 758	13 986	54	26	349 174
Libraries	671 546	11 516	2 096	423	59 098	2 617	0	623 866
Recreation facilities	3 568 880	109 821	26 543	41 761	195 368	8 464	232	3 543 405
Civic buildings	3 746 749	157 768	10 547	142 093	156 331	1 513	198	3 899 511
Other	40 519 391	2 144 281	621 277	-35 693	2 446 498	117 484	42 642	40 727 916

Part 2 – Consolidated analysis statement of property, plant and equipment, investment property, intangible assets and biological (cultivated) assets as at 30 June 2021 (concluded)

Description	Carrying value (beginning of the year)	Additions (during the year)	Under construction (during the year)	Revaluations (during the year)	Less: Depreciation and amortisation (during the year)	Less: cost of disposals (during the year)	Add: Accumulated depreciation (of assets disposed during the year)	Carrying value (end of the year)
Housing	2 219 427	68 195	0	38 145	115 761	11 562	8 547	2 206 991
Housing rental stock	2 074 003	63 318	0	38 145	104 963	10 047	8 547	2 069 003
Other	145 424	4 877	0	0	10 798	1 515	0	137 988
Leased assets	875 974	92 370	0	417	364 608	7 193	4 225	601 185
Other assets	52 333 201	6 463 780	578 607	-94 137	6 613 941	422 142	253 868	52 499 236
Landfill sites	2 953 651	217 739	0	128 327	312 248	9 810	1 343	2 979 002
Office equipment	1 073 027	253 362	30	-33	262 692	6 634	2 744	1 059 804
Furniture and fittings	1 334 146	301 246	171	14 714	351 293	27 714	20 086	1 291 356
Bins and containers	81 435	16 574	0	6	18 785	19 119	19 066	79 177
Emergency equipment	97 345	20 990	12 237	528	22 776	2 031	1 999	108 292
Motor vehicles	7 067 082	1 375 263	21 066	-102	1 257 627	146 348	89 597	7 148 931
Fire engines	65 587	806	0	0	3 756	97	58	62 598
Refuse tankers	24 630	4 522	0	0	2 836	46	0	26 270
Computer equipment	1 811 686	620 888	8 275	-148 228	518 796	91 320	75 848	1 758 353
Councillors' regalia	0	0	0	0	0	0	0	0
Conservancy tankers	0	0	0	0	0	0	0	0
Water crafts	389	0	0	0	21	0	0	368
Plant and other equipment	20 085 681	1 185 342	36 383	-3 863	1 363 556	38 746	15 716	19 916 957
Other	17 738 542	2 467 048	500 445	-85 486	2 499 555	80 277	27 411	18 068 128
Total PPE	692 477 894	42 746 223	16 072 767	4 433 102	36 253 394	1 850 868	498 019	718 123 743
Heritage assets	5 619 749	12 463	0	28	8 063	666	0	5 623 511
Investment property	30 803 659	119 840	0	71 662	100 277	107 875	30	30 787 039
Intangible assets	5 313 260	1 268 952	1 359	65 632	886 219	9 147	4 449	5 758 286
Biological assets	389 139	4 505	0	13 718	15 449	8 324	0	383 589
Total	734 603 701	44 151 983	16 074 126	4 584 142	37 263 402	1 976 880	502 498	760 676 168

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2020 and 30 June 2021: Expenditure

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2020*	2021	2020*	2021	2020*(a)	2021(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	76 194 848	83 423 410	40 663 331	43 391 384	116 858 179	126 814 794	9 956 615
Remuneration of councillors	4 353 022	4 367 596	0	0	4 353 022	4 367 596	14 574
Finance costs	8 705 325	8 481 191	3 061 901	2 645 806	11 767 226	11 126 997	-640 229
Loss on disposal of assets	921 984	963 775	236 950	230 754	1 158 934	1 194 529	35 595
Debt impairment	21 322 623	21 772 094	19 047 613	18 889 135	40 370 236	40 661 229	290 993
Contracted services							
Consultants and professional services	3 976 246	4 455 371	2 257 032	1 708 154	6 233 278	6 163 525	-69 753
Contractors	6 426 725	6 677 210	11 386 526	11 514 112	17 813 251	18 191 322	378 071
Outsourced services	6 411 173	6 641 058	6 596 185	7 618 511	13 007 358	14 259 569	1 252 211
Operating leases							
Buildings and infrastructure	107 655	219 445	47 387	50 162	155 042	269 607	114 565
Computer, furniture and office equipment	141 590	114 826	10 873	15 325	152 463	130 151	-22 312
Transport assets, machinery and equipment	487 929	302 945	78 158	64 341	566 087	367 286	-198 801
Other	2 269 020	1 951 134	206 673	422 181	2 475 693	2 373 315	-102 378
Inventory consumed	2 127 987	2 215 530	2 867 031	3 297 427	4 995 018	5 512 957	517 939
Depreciation, amortisation and impairment	15 775 112	15 583 259	21 115 663	21 680 143	36 890 775	37 263 402	372 627
Bulk purchases:							
Purchases of water	0	0	26 479 155	27 175 404	26 479 155	27 175 404	696 249
Purchases of electricity	0	0	89 121 178	95 116 591	89 121 178	95 116 591	5 995 413
Other bulk purchases	0	0	52 689	34 105	52 689	34 105	-18 584
Transfers and subsidies:							
Other local government institutions	485 374	108 243	0	122 552	485 374	230 795	-254 579
Tertiary institutions of higher learning	0	0	0	0	0	0	0
Households	527 188	457 635	192 805	194 126	719 993	651 761	-68 232
Non-profit institutions	389 021	394 114	26 953	18 521	415 974	412 635	-3 339
Other	1 742 705	1 509 092	1 200 902	818 557	2 943 607	2 327 649	-615 958
Operational costs:							
Advertising, publicity and marketing	634 469	519 845	107 943	125 552	742 412	645 397	-97 015
Bank charges, facility and card fees	538 780	510 220	18 984	18 965	557 764	529 185	-28 579
Communication	1 141 858	1 186 913	157 865	137 710	1 299 723	1 324 623	24 900

¹Difference (b-a).

*Some figures have been revised.

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2020 and 30 June 2021: Expenditure (concluded)

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2020*	2021	2020*	2021	2020*(a)	2021(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Courier and delivery services	339 365	239 838	6 264	18 979	345 629	258 817	-86 812
Entertainment	113 938	95 344	39 560	34 283	153 498	129 627	-23 871
External audit fees	1 160 659	1 198 626	111 715	151 823	1 272 374	1 350 449	78 075
Hire charges	658 799	566 022	729 694	650 807	1 388 493	1 216 829	-171 664
Insurance underwriting	987 974	1 413 848	168 690	106 366	1 156 664	1 520 214	363 550
Printing, publications and books	409 030	396 816	42 896	42 951	451 926	439 767	-12 159
Professional bodies, membership and subscription	638 890	759 698	20 287	21 808	659 177	781 506	122 329
Transport	244 337	219 207	27 824	21 554	272 161	240 761	-31 400
Travel and subsistence	737 399	534 958	122 419	89 822	859 818	624 780	-235 038
Wet fuel	1 491 929	1 375 047	511 441	471 345	2 003 370	1 846 392	-156 978
Other operational costs	10 741 680	8 494 974	9 689 891	13 241 360	20 431 571	21 736 334	1 304 763
Other expenditure	6 665 542	8 588 619	2 060 075	2 074 879	8 725 617	10 663 498	1 937 881
Taxation	0	30 914	0	0	0	30 914	30 914
Surplus	64 374 086	71 085 424	37 696 108	40 143 703	102 070 194	111 229 127	9 158 933
Total expenditure	243 244 262	256 854 241	276 160 661	292 359 198	519 404 923	549 213 439	29 808 516

¹Difference (b-a).

*Some figures have been revised.

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2020 and 30 June 2021: Revenue

Revenue	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2020*	2021	2020*	2021	2020*(a)	2021(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from:							
Residential	28 163 550	29 139 654	0	0	28 163 550	29 139 654	976 104
Commercial or business	24 935 450	25 938 144	0	0	24 935 450	25 938 144	1 002 694
State	3 637 199	3 917 784	0	0	3 637 199	3 917 784	280 585
Other (includes agricultural, municipal, etc.)	14 408 750	16 525 645	0	0	14 408 750	16 525 645	2 116 895
Property rates – penalties imposed and collection charges	652 874	383 873	0	0	652 874	383 873	-269 001
Interest on:							
Investments	5 155 338	3 525 962	130 404	158 542	5 285 742	3 684 504	-1 601 238
Receivables	4 912 544	4 005 510	3 118 136	3 304 647	8 030 680	7 310 157	-720 523
Dividends	563	520	97	60	660	580	-80
Fines, penalties and forfeits	5 806 983	6 063 877	178 297	173 858	5 985 280	6 237 735	252 455
Licences and permits	304 536	378 272	228 491	257 799	533 027	636 071	103 044
Agency services	744 161	942 801	1 063 816	1 299 193	1 807 977	2 241 994	434 017
Rental	1 353 374	1 212 315	1 135 285	1 151 088	2 488 659	2 363 403	-125 256
Sales of goods and rendering of services	952 031	939 287	423 423	437 684	1 375 454	1 376 971	1 517
Gains on the disposal of assets	198 757	154 777	6 621	9 192	205 378	163 969	-41 409
Service charges:							
Sales of water	0	0	41 877 166	46 103 283	41 877 166	46 103 283	4 226 117
Sales of electricity	0	0	113 564 223	118 098 955	113 564 223	118 098 955	4 534 732
Refuse removal charges	0	0	11 827 304	12 622 845	11 827 304	12 622 845	795 541
Sewerage and sanitation charges	0	0	17 121 965	17 829 986	17 121 965	17 829 986	708 021
Other service charges (e.g. fresh produce market, etc.)	0	0	1 424 641	1 375 855	1 424 641	1 375 855	-48 786
Government transfers and subsidies:							
Capital	17 255 017	18 461 595	16 377 010	17 377 471	33 632 027	35 839 066	2 207 039
Operational	64 165 308	74 910 830	24 472 395	28 712 599	88 637 703	103 623 429	14 985 726
Other transfers and subsidies (incl. contributions and donations)	1 529 137	3 022 731	480 682	625 767	2 009 819	3 648 498	1 638 679
Operational revenue	13 398 325	10 499 322	3 174 465	4 091 012	16 572 790	14 590 334	-1 982 456
Deficit	55 670 365	56 831 342	39 556 240	38 729 362	95 226 605	95 560 704	334 099
Total revenue	243 244 262	256 854 241	276 160 661	292 359 198	519 404 923	549 213 439	29 808 516

¹Difference (b-a).

*Some figures have been revised.

Part 4 – Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2020 and 30 June 2021: Expenditure

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	34 393 788	39 908 862	5 145 847	5 540 539	5 712 446	5 903 267	6 950 501	7 281 053	6 446 340	6 418 935
Remuneration of councillors	4 353 022	4 367 596	0	0	0	0	0	0	0	0
Finance costs	8 542 464	8 327 832	65	111	23 819	20 407	37 899	22 634	67 625	101 934
Loss on disposal of assets	840 859	922 460	139	239	1 012	3 678	74 880	22 263	4 377	14 682
Debt impairment	17 616 480	17 489 145	2 783	184 159	15 621	18 560	36 423	113 269	181 381	57 792
Contracted services										
Consultants and professional services	3 142 210	3 676 312	97 229	86 474	77 501	34 941	100 375	58 874	517 508	511 420
Contractors	3 586 489	4 485 814	96 835	134 982	515 404	530 314	464 534	526 398	725 056	392 605
Outsourced services	4 213 358	4 356 771	93 582	107 831	551 099	647 086	565 672	533 276	354 329	368 129
Operating leases										
Buildings and infrastructure	76 201	185 633	455	451	325	224	23 893	23 337	6 275	8 883
Computer, furniture and office equipment	122 498	91 811	1 245	1 302	2 350	2 788	7 648	8 291	4 731	6 993
Transport assets, machinery and equipment	468 052	271 067	1	53	2 016	4 601	4 422	3 304	10 650	7 562
Other	2 177 847	1 916 423	1 140	996	4 681	1 976	52 704	11 816	11 197	7 677
Inventory consumed	1 160 646	1 181 984	348 036	432 892	116 082	103 869	156 898	129 822	88 762	132 092
Depreciation, amortisation and impairment	11 867 657	12 147 857	158 909	129 171	1 316 136	1 300 185	870 499	857 005	1 080 186	768 465
Transfers and subsidies:										
Other local government institutions	255 591	38 136	7 629	9 704	0	0	14 681	3 654	191 327	36 909
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0	0	0
Households	377 032	353 453	993	1 152	0	0	19 379	14 527	119 139	76 385
Non-profit institutions	299 983	324 395	0	0	8 573	10 362	20 558	7 339	47 589	44 114
Other	1 332 236	1 159 070	8 024	8 743	12 544	33 221	29 182	37 681	341 102	259 306

*Some figures have been revised.

Part 4 – Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2020 and 30 June 2021: Expenditure (continued)

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs:										
Advertising, publicity and marketing	496 238	404 394	1 040	1 186	38 199	22 474	25 644	26 846	65 021	58 117
Bank charges, facility and card fees	519 412	503 628	136	54	1 769	1 478	2 467	2 768	2 915	1 668
Communication	1 067 776	1 108 161	7 159	8 394	12 564	13 302	17 129	17 401	13 347	12 789
Courier and delivery services	300 267	218 799	540	2 306	901	330	11 142	4 275	8 680	2 893
Entertainment	86 277	75 576	191	9	3 599	2 275	13 637	12 323	4 042	533
External audit fees	1 049 072	1 101 693	4 191	1 758	10 111	10 250	42 498	27 776	26 896	34 604
Hire charges	517 053	466 358	5 862	5 756	7 116	19 260	18 266	46 427	37 658	21 064
Insurance underwriting	954 237	1 378 870	1 305	636	6 807	8 037	12 980	8 980	5 221	7 029
Printing, publications and books	259 775	251 965	14 057	9 991	4 707	4 241	18 583	10 849	11 551	9 245
Professional bodies, membership and subscription	627 553	741 661	685	991	2 139	793	2 802	6 846	4 283	6 634
Transport	221 490	202 254	2 244	947	1 799	1 038	10 511	9 888	7 367	4 425
Travel and subsistence	627 382	478 815	12 670	9 760	8 087	3 088	24 965	14 084	48 510	21 097
Wet fuel	1 369 693	1 244 328	3 183	3 191	34 907	37 537	16 167	17 222	8 831	7 866
Other operational costs	6 031 608	4 417 063	95 501	154 190	878 827	952 507	338 880	515 930	1 007 061	915 920
Other expenditure	5 769 014	7 821 657	62 580	8 228	83 787	89 143	226 752	221 372	299 713	279 952
Taxation	0	30 914	0	0	0	0	0	0	0	0
Surplus	59 376 917	65 191 035	5 187	79 643	37 491	35 544	635 016	1 128 076	2 599 335	3 951 549
Total expenditure	174 100 177	186 841 792	6 179 443	6 925 839	9 492 419	9 816 776	10 847 587	11 725 606	14 348 005	14 549 268

*Some figures have been revised.

Part 4 – Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2020 and 30 June 2021: Expenditure (continued)

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	10 362 974	10 730 633	4 530 503	4 513 407	2 030 333	2 420 209	622 116	706 505
Remuneration of councillors	0	0	0	0	0	0	0	0
Finance costs	27 566	3 646	5 491	4 326	215	219	181	82
Loss on disposal of assets	159	37	506	332	51	84	1	0
Debt impairment	3 380 473	3 742 456	55 390	57 059	34 072	34 583	0	75 071
Contracted services								
Consultants and professional services	24 637	70 686	3 656	13 276	11 330	3 388	1 800	0
Contractors	484 313	294 224	74 609	59 143	153 306	202 191	326 179	51 539
Outsourced services	304 915	243 011	84 936	52 482	199 813	285 465	43 469	47 007
Operating leases								
Buildings and infrastructure	476	915	30	2	0	0	0	0
Computer, furniture and office equipment	2 171	2 775	340	265	132	138	475	463
Transport assets, machinery and equipment	2 480	14 737	308	1 582	0	39	0	0
Other	1 263	1 653	165	210	20 023	10 383	0	0
Inventory consumed	65 836	70 622	34 076	33 422	63 470	77 926	94 181	52 901
Depreciation, amortisation and impairment	264 532	138 513	95 543	100 557	79 657	98 686	41 993	42 820
Transfers and subsidies:								
Other local government institutions	0	0	1 797	2 947	14 349	16 893	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households	1 000	86	67	260	2 140	6 689	7 438	5 083
Non-profit institutions	0	0	250	250	5 176	1 300	6 892	6 354
Other	13 988	12	1 175	2 853	4 454	680	0	7 526

*Some figures have been revised.

Part 4 – Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2020 and 30 June 2021: Expenditure (concluded)

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs:								
Advertising, publicity and marketing	834	685	648	1 606	1 441	4 203	5 404	334
Bank charges, facility and card fees	4 366	325	203	125	7 512	174	0	0
Communication	8 118	10 088	8 920	10 460	5 099	4 235	1 746	2 083
Courier and delivery services	16 996	10 257	405	23	434	955	0	0
Entertainment	3 358	2 839	2 697	1 470	135	319	2	0
External audit fees	16 394	15 462	5 627	4 266	5 821	2 768	49	49
Hire charges	3 924	2 308	3 601	2 458	3 285	347	62 034	2 044
Insurance underwriting	2 801	3 448	3 606	4 382	968	776	49	1 690
Printing, publications and books	80 267	94 933	943	1 427	18 458	13 632	689	533
Professional bodies, membership and subscription	402	819	798	1 085	158	176	70	693
Transport	13	317	516	191	166	48	231	99
Travel and subsistence	5 594	2 300	4 919	2 955	2 546	794	2 726	2 065
Wet fuel	35 533	41 565	13 456	12 780	2 776	2 822	7 383	7 736
Other operational costs	788 207	1 267 171	212 525	157 554	69 487	100 523	1 319 584	14 116
Other expenditure	78 531	97 340	67 204	54 068	16 681	10 452	61 280	6 407
Taxation	0	0	0	0	0	0	0	0
Surplus	711 883	560 350	5 521	34 397	122 914	20 663	879 822	84 167
Total expenditure	16 694 004	17 424 213	5 220 431	5 131 620	2 876 402	3 321 760	3 485 794	1 117 367

*Some figures have been revised.

Part 4 – Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2020 and 30 June 2021: Revenue

Revenue	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from:										
Residential	28 163 550	29 139 654	0	0	0	0	0	0	0	0
Commercial or business	24 935 450	25 938 144	0	0	0	0	0	0	0	0
State	3 637 199	3 917 784	0	0	0	0	0	0	0	0
Other (includes agricultural, municipal, etc.)	14 408 750	16 525 645	0	0	0	0	0	0	0	0
Property rates – penalties imposed and collection charges	652 874	383 873	0	0	0	0	0	0	0	0
Interest on:										
Investments	5 127 280	3 496 447	0	6 479	149	351	6 770	12 942	21 081	9 293
Receivables	4 891 534	3 927 997	0	69 485	19	0	7 094	66	9 766	3 839
Dividends	556	512	0	0	0	0	0	0	7	8
Fines, penalties and forfeits	312 416	550 172	916	129	6 208	3 634	23 992	7 478	18 466	15 969
Licences and permits	61 716	121 895	4 698	4 826	4 521	17 745	16 363	12 248	12 048	37 002
Agency services	353 074	444 932	20	710	0	6 070	13 528	13 041	247	2 330
Rental	1 077 812	990 152	76	207	127 003	75 859	68 077	38 573	73 376	93 491
Sales of goods and rendering of services	259 556	276 095	9 011	7 328	65 374	37 886	98 852	131 396	392 215	351 520
Gains on the disposal of assets	195 960	142 998	15	38	53	5 673	2 477	2 855	234	1 901
Government transfers and subsidies:										
Capital	13 357 315	13 734 053	85 391	141 835	125 602	200 655	761 406	1 113 532	2 773 731	2 997 592
Operational	57 100 127	67 602 036	1 110 021	1 122 868	98 265	91 224	1 559 511	1 652 393	1 760 764	3 201 397
Other transfers and subsidies (incl. contributions and donations)	1 466 737	2 882 371	14 709	3 420	7 968	18 871	5 149	44 182	23 503	66 296
Operational revenue	11 023 658	9 121 336	62 848	10 412	68 260	21 697	145 186	107 997	1 024 637	658 700
Deficit	7 074 613	7 645 696	4 891 738	5 558 102	8 988 997	9 337 111	8 139 182	8 588 903	8 237 930	7 109 930
Total Revenue	174 100 177	186 841 792	6 179 443	6 925 839	9 492 419	9 816 776	10 847 587	11 725 606	14 348 005	14 549 268

*Some figures have been revised.

Part 4 – Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2020 and 30 June 2021: Revenue (concluded)

Revenue	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from:								
Residential	0	0	0	0	0	0	0	0
Commercial or business	0	0	0	0	0	0	0	0
State	0	0	0	0	0	0	0	0
Other (includes agricultural, municipal, etc.)	0	0	0	0	0	0	0	0
Property rates – penalties imposed and collection charges	0	0	0	0	0	0	0	0
Interest on:								
Investments	5	408	53	42	0	0	0	0
Receivables	3	1	2 476	1 932	1 652	2 190	0	0
Dividends	0	0	0	0	0	0	0	0
Fines, penalties and forfeits	5 321 718	5 440 367	15 548	150	107 719	45 978	0	0
Licences and permits	164 107	150 549	13 333	3 709	22 047	30 298	5 703	0
Agency services	159 939	195 572	0	0	217 353	280 146	0	0
Rental	324	647	700	701	5 651	10 695	355	1 990
Sales of goods and rendering of services	18 627	18 586	102 812	113 480	5 371	2 779	213	217
Gains on the disposal of assets	2	1 174	11	28	5	110	0	0
Government transfers and subsidies:								
Capital	59 404	106 217	31 543	60 915	37 571	11 009	23 054	95 787
Operational	629 479	736 984	170 175	169 440	290 673	320 606	1 446 293	13 882
Other transfers and subsidies (incl. contributions and donations)	4 069	3 165	279	775	6 723	3 557	0	94
Operational revenue	191 858	500 815	71 680	44 891	21 049	6 351	789 149	27 123
Deficit	10 144 469	10 269 728	4 811 821	4 735 557	2 160 588	2 608 041	1 221 027	978 274
Total Revenue	16 694 004	17 424 213	5 220 431	5 131 620	2 876 402	3 321 760	3 485 794	1 117 367

*Some figures have been revised.

Part 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2020 and 30 June 2021: Expenditure

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage & sanitation)	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	1 859 784	1 980 045	923 357	1 012 983	7 619 276	8 150 278	4 052 441	4 351 024
Finance costs	50 182	57 962	393	585	663 045	445 398	392 966	358 240
Loss on disposal of assets	8 926	16 600	19	31	2 652	4 867	57 462	19 221
Debt impairment	624 184	927 734	28 974	22 817	2 331 405	1 630 600	1 532 017	1 394 408
Contracted services								
Consultants and professional services	168 221	245 006	40 421	22 984	116 256	54 669	175 516	117 588
Contractors	1 245 972	1 439 372	41 726	38 386	869 950	940 209	1 461 671	1 559 731
Outsourced services	95 227	235 424	82 491	110 258	1 462 986	1 588 755	1 137 574	1 279 950
Operating leases								
Buildings and infrastructure	20 330	20 603	233	351	2 340	2 554	24	2
Computer, furniture and office equipment	1 391	6 690	123	107	984	907	682	1 258
Transport assets, machinery and equipment	1 707	91	214	288	16 114	28 435	17 148	3 140
Other	50 628	47 639	1 601	651	39 980	63 700	54 127	44 778
Inventory consumed	104 320	119 435	15 353	13 686	368 800	365 763	239 299	201 312
Depreciation, amortisation and impairment	977 807	1 105 620	58 940	126 447	903 064	820 669	2 308 540	2 283 536
Bulk purchases:								
Purchases of water	0	0	0	0	0	0	0	0
Purchases of electricity	0	0	0	0	0	0	0	0
Other bulk purchases	0	0	0	0	0	0	52 689	34 105
Transfers and subsidies:								
Other local government institutions	0	0	0	0	0	0	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households	58 863	2 204	43	23 480	7 898	12 381	8 891	3 048
Non-profit institutions	1 130	213	541	552	2 542	292	0	0
Other	276 131	30 231	475	370	8 599	3 037	13	0

*Some figures have been revised

Part 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2020 and 30 June 2021: Expenditure (continued)

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage & sanitation)	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs:								
Advertising, publicity and marketing	2 856	2 275	3 347	2 711	3 075	2 583	4 337	3 762
Bank charges, facility and card fees	652	605	51	61	185	152	610	596
Communication	6 474	6 573	1 898	1 280	7 078	4 269	8 461	8 333
Courier and delivery services	636	807	203	72	400	595	49	154
Entertainment	691	322	57	4	5 356	9 932	2 510	1 894
External audit fees	6 642	10 644	1 280	608	21 355	21 089	7 953	11 487
Hire charges	34 714	5 343	1 656	2 511	244 165	236 852	52 756	30 030
Insurance underwriting	11 559	14 554	302	4 006	15 385	4 945	3 960	12 501
Printing, publications and books	3 797	3 789	2 490	2 176	2 047	1 844	2 278	2 119
Professional bodies, membership and subscription	1 535	1 308	255	332	3 301	4 297	891	1 335
Transport	4 291	6 090	582	111	5 224	3 054	1 876	1 156
Travel and subsistence	3 186	1 222	4 158	1 580	11 860	4 650	4 823	3 117
Wet fuel	4 700	3 056	2 125	1 595	51 388	60 252	54 144	32 889
Other operational costs	1 027 151	1 266 934	80 798	55 334	1 279 220	2 445 249	647 784	604 298
Other expenditure	47 193	21 797	25 358	16 643	200 012	219 811	265 950	329 080
Taxation	0	0	0	0	0	0	0	0
Surplus	1 499 831	1 405 130	10 156	1 810	3 138 917	4 166 530	10 129 471	11 634 054
Total expenditure	8 200 711	8 985 318	1 329 620	1 464 810	19 404 859	21 298 618	22 678 913	24 328 146

*Some figures have been revised.

Part 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2020 and 30 June 2021: Expenditure (continued)

Expenditure	Road transport		Water		Electricity		Other trading services	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	7 546 476	7 348 072	9 000 429	10 180 869	8 502 749	9 186 941	1 158 819	1 181 172
Finance costs	352 024	430 808	611 703	599 979	983 863	737 821	7 725	15 013
Loss on disposal of assets	26 089	30 067	70 852	73 906	70 091	82 378	859	3 684
Debt impairment	532 933	67 325	10 095 201	9 963 139	3 728 729	4 814 587	174 170	68 525
Contracted services								
Consultants and professional services	911 261	306 609	483 629	639 176	295 742	266 094	65 986	56 028
Contractors	3 372 576	3 238 637	2 339 278	2 643 360	1 439 714	1 542 774	615 639	111 643
Outsourced services	1 434 316	1 496 250	996 669	1 255 571	919 823	922 147	467 099	730 156
Operating leases								
Buildings and infrastructure	7 582	6 241	0	0	9 878	13 629	7 000	6 782
Computer, furniture and office equipment	2 807	1 180	815	1 622	3 225	2 820	846	741
Transport assets, machinery and equipment	23 724	17 769	17 902	9 128	1 344	4 574	5	916
Other	15 652	192 555	18 303	53 091	6 958	11 195	19 424	8 572
Inventory consumed	375 036	431 452	1 193 845	1 335 286	534 322	811 722	36 056	18 771
Depreciation, amortisation and impairment	8 039 817	8 046 487	3 890 215	4 925 043	4 625 597	3 936 998	311 683	435 343
Bulk purchases:								
Purchases of water	0	0	26 479 155	27 175 404	0	0	0	0
Purchases of electricity	0	0	0	0	89 121 178	95 116 591	0	0
Other bulk purchases	0	0	0	0	0	0	0	0
Transfers and subsidies:								
Other local government institutions	0	122 552	0	0	0	0	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households	7 179	8 421	60 433	113 851	49 102	29 763	396	978
Non-profit institutions	14 165	0	580	0	4 277	10 379	3 718	7 085
Other	288 454	105 667	536 581	575 292	55 841	30 574	34 808	73 386

*Some figures have been revised.

Part 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2020 and 30 June 2021: Expenditure (concluded)

Expenditure	Road transport		Water		Electricity		Other trading services	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs:								
Advertising, publicity and marketing	13 629	7 796	19 222	12 566	4 876	4 590	56 601	89 269
Bank charges, facility and card fees	3 288	3 853	485	281	3 062	2 339	10 651	11 078
Communication	24 000	26 003	30 102	36 550	75 770	49 723	4 082	4 979
Courier and delivery services	2 002	1 632	604	14 559	2 164	900	206	260
Entertainment	16 159	7 749	2 614	1 939	11 561	12 365	612	78
External audit fees	21 944	29 192	21 794	26 726	24 934	44 890	5 813	7 187
Hire charges	39 297	47 834	346 712	277 683	4 197	12 534	6 197	38 020
Insurance underwriting	87 181	34 850	6 124	8 287	42 362	25 925	1 817	1 298
Printing, publications and books	13 676	13 636	5 660	5 537	6 950	7 258	5 998	6 592
Professional bodies, membership and subscription	6 753	4 174	2 196	1 983	3 855	4 434	1 501	3 945
Transport	4 739	483	8 561	9 950	2 423	667	128	43
Travel and subsistence	15 067	20 769	57 394	36 122	11 750	10 127	14 181	12 235
Wet fuel	200 740	161 803	145 293	142 281	43 832	58 579	9 219	10 890
Other operational costs	1 730 813	2 511 977	1 951 387	2 299 833	2 759 612	3 796 206	213 126	261 529
Other expenditure	342 341	236 266	764 304	731 910	383 648	509 350	31 269	10 022
Taxation	0	0	0	0	0	0	0	0
Surplus	1 056 727	1 463 643	9 838 602	11 232 815	11 047 163	8 976 977	975 241	1 262 744
Total expenditure	26 528 447	26 421 752	68 996 644	74 383 739	124 780 592	131 037 851	4 240 875	4 438 964

*Some figures have been revised.

Part 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2020 and 30 June 2021: Revenue

Revenue	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage & sanitation)	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Interest on:								
Investments	10 462	3 405	29 515	0	11 901	33 184	4 207	14 333
Receivables	79 589	70 257	0	22 767	384 998	466 562	386 673	402 350
Dividends	0	0	0	0	0	0	97	60
Fines, penalties and forfeits	1 284	4 357	2 837	2 322	3 324	3 730	20 655	1 576
Licences and permits	758	37	10 005	17 485	36	66	0	0
Agency services	1 041	7 278	0	3 630	2 848	3 656	0	0
Rental	729 775	801 396	1 631	1 861	7 474	8 831	2 960	3 219
Sales of goods and rendering of services	8 631	6 624	5 797	7 372	21 133	18 809	25 596	46 296
Gains on the disposal of assets	2 925	1 923	1	24	140	636	3	1
Service charges:								
Sales of water	0	0	0	0	0	0	0	0
Sales of electricity	0	0	0	0	0	0	0	0
Refuse removal charges	0	0	0	0	11 827 304	12 622 845	0	0
Sewerage and sanitation charges	0	0	0	0	0	0	17 121 965	17 829 986
Other service charges (e.g. fresh produce)	0	0	0	0	0	0	0	0
Government transfers and subsidies:								
Capital	1 780 165	1 960 973	31 601	42	298 979	558 255	2 048 122	1 389 070
Operational	4 168 581	4 050 777	48 284	80 731	2 820 177	3 269 146	2 023 288	3 161 995
Other transfers and subsidies (incl. contributions and donations)	40	0	105	3 330	0	7 676	15 836	4 839
Operational revenue	497 430	429 897	3 485	49 212	368 431	704 928	96 580	199 949
Deficit	920 030	1 648 394	1 196 359	1 276 034	3 658 114	3 600 294	932 931	1 274 472
Total Revenue	8 200 711	8 985 318	1 329 620	1 464 810	19 404 859	21 298 618	22 678 913	24 328 146

*Some figures have been revised.

Part 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2020 and 30 June 2021: Revenue (concluded)

Revenue	Road transport		Water		Electricity		Other trading services	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Interest on:								
Investments	27 268	21 879	5 038	45 325	11 163	28 681	30 850	11 735
Receivables	1 115	44	1 739 308	1 837 564	523 818	502 949	2 635	2 154
Dividends	0	0	0	0	0	0	0	0
Fines, penalties and forfeits	103 618	103 297	6 176	7 374	39 788	50 381	615	821
Licences and permits	165 645	179 847	0	22	2	52	52 045	60 290
Agency services	383 959	533 729	461	0	0	5 747	675 507	745 153
Rental	134 385	145 214	14 117	14 083	11 267	10 697	233 676	165 787
Sales of goods and rendering of services	225 301	210 394	75 065	73 564	42 341	63 642	19 559	10 983
Gains on the disposal of assets	389	401	1 622	4 473	785	1 734	756	0
Service charges:								
Sales of water	0	0	41 877 166	46 103 283	0	0	0	0
Sales of electricity	0	0	0	0	113 564 223	118 098 955	0	0
Refuse removal charges	0	0	0	0	0	0	0	0
Sewerage and sanitation charges	0	0	0	0	0	0	0	0
Other service charges (e.g. fresh produce market, etc.)	0	0	0	0	0	0	1 424 641	1 375 855
Government transfers and subsidies:								
Capital	4 137 545	5 102 089	6 118 505	6 795 478	1 925 898	1 552 373	36 195	19 191
Operational	3 945 009	4 803 673	8 353 238	9 411 428	2 905 611	3 427 088	208 207	507 761
Other transfers and subsidies (incl. contributions and donations)	119 071	161 818	247 926	238 968	96 383	209 136	1 321	0
Operational revenue	413 380	640 823	394 025	887 195	1 021 049	970 685	380 085	208 323
Deficit	16 871 762	14 518 544	10 163 997	8 964 982	4 638 264	6 115 731	1 174 783	1 330 911
Total Revenue	26 528 447	26 421 752	68 996 644	74 383 739	124 780 592	131 037 851	4 240 875	4 438 964

*Some figures have been revised.

Additional tables on key revenue and expenditure variables per province as well as their five-year time series data

Table 3 – Municipal revenue streams per province for the year ended 30 June 2020* and 30 June 2021 – R million

Province	Government transfers and subsidies		Interest received		Other revenue		Other transfers and subsidies		Property rates		Refuse removal charges		Sales of electricity		Sales of water		Sewerage and sanitation charges		Total operational revenue	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021
Eastern Cape	17 241	19 861	1 498	1 315	2 237	1 709	3	148	5 258	5 652	907	995	7 338	7 790	2 962	4 098	1 383	1 514	38 827	43 082
Free State	6 298	7 697	1 038	948	1 316	632	78	23	2 728	2 653	590	589	4 641	4 840	2 283	2 454	926	1 009	19 898	20 845
Gauteng	29 172	33 207	2 950	2 366	7 817	8 822	1 304	2 723	28 198	30 352	4 987	5 318	46 609	48 647	18 750	19 525	8 676	9 050	148 463	160 010
KwaZulu-Natal	22 976	25 654	1 808	1 005	6 192	5 691	163	177	13 686	14 437	1 370	1 442	20 196	20 608	6 965	8 280	1 697	1 715	75 053	79 009
Limpopo	14 337	16 701	735	756	1 176	1 355	2	43	1 882	2 020	337	360	3 143	3 232	1 704	2 278	293	314	23 609	27 059
Mpumalanga	8 997	10 543	1 226	1 103	1 662	912	277	185	3 021	3 347	570	697	4 326	4 617	1 762	1 787	669	579	22 510	23 770
North West	8 851	10 207	1 337	1 351	1 352	1 183	15	6	2 085	2 284	541	582	4 544	5 171	2 035	2 005	576	608	21 336	23 397
Northern Cape	3 100	3 420	395	345	528	371	23	56	1 307	1 402	269	282	1 868	1 955	677	719	320	317	8 487	8 867
Western Cape	11 299	12 171	2 330	1 807	8 768	8 696	146	288	12 981	13 374	2 257	2 357	20 898	21 241	4 739	4 956	2 582	2 723	66 000	67 613
South Africa	122 271	139 461	13 317	10 996	31 048	29 371	2 011	3 649	71 146	75 521	11 828	12 622	113 563	118 101	41 877	46 102	17 122	17 829	424 183	453 652

*Some figures have been revised.

Table 4 – Municipal expenditure per province for the year ended 30 June 2020* and 30 June 2021 – R million

Province	Contracted services		Debt impairment		Depreciation, amortisation and impairment		Employee related costs		Finance costs		Operating leases		Operational costs		Other expenditure		Purchases of electricity		Purchases of water		Transfers and subsidies paid		Total operational expenditure	
	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021	2020*	2021
Eastern Cape	2 302	2 575	3 528	4 497	5 620	4 739	11 837	13 205	413	379	124	130	3 248	3 340	2 321	2 208	6 518	7 038	601	601	491	532	37 003	39 244
Free State	1 604	1 657	2 959	3 060	2 566	2 818	6 096	6 217	908	622	69	66	1 763	1 582	836	834	4 396	4 676	1 846	1 785	39	26	23 082	23 343
Gauteng	7 988	8 742	17 117	15 513	9 481	10 446	38 973	40 887	5 718	5 957	2 079	1 895	14 288	15 143	1 373	1 309	36 408	38 803	14 640	15 078	1 677	1 346	149 741	155 120
KwaZulu-Natal	9 372	8 575	5 300	5 022	6 150	6 245	20 480	22 518	1 288	1 127	269	254	4 062	4 260	4 428	5 182	15 249	16 407	5 245	5 615	810	720	72 653	75 925
Limpopo	2 571	2 738	1 144	1 822	2 729	2 837	6 175	6 578	358	273	111	156	2 281	1 616	2 534	3 772	2 400	2 569	682	780	290	96	21 275	23 237
Mpumalanga	2 587	2 799	2 501	3 204	2 402	2 358	6 327	6 958	923	747	96	82	1 501	1 613	1 084	1 058	4 503	4 692	879	1 048	586	336	23 390	24 895
North West	1 422	1 602	3 444	3 084	2 357	2 347	5 073	5 348	468	386	228	171	742	778	2 202	2 744	3 914	4 412	1 580	1 371	117	75	21 548	22 318
Northern Cape	378	566	394	448	1 025	881	2 649	2 904	307	232	16	23	568	784	1 163	1 328	1 544	1 621	313	307	75	58	8 431	9 151
Western Cape	8 830	9 361	3 982	4 011	4 560	4 594	19 247	22 202	1 385	1 404	358	362	3 141	3 529	3 345	3 368	14 191	14 899	694	590	479	433	60 212	64 753
South Africa	37 054	38 615	40 369	40 661	36 890	37 265	116 857	126 817	11 768	11 127	3 350	3 139	31 594	32 645	19 286	21 803	89 123	95 117	26 480	27 175	4 564	3 622	417 335	437 986

*Some figures have been revised.

Table 5 – Municipal major revenue streams per province for five-year period: 2017-2021 – R million

Province	Government transfers and subsidies received					Electricity sales					Property rates received					Water sales				
	2017	2018	2019	2020*	2021	2017	2018	2019	2020*	2021	2017	2018	2019	2020*	2021	2017	2018	2019	2020*	2021
Eastern Cape	15 355	16 701	17 334	17 241	19 861	6 755	6 688	7 134	7 338	7 790	3 562	4 118	4 706	5 258	5 652	2 021	2 334	2 579	2 962	4 098
Free State	5 991	5 927	6 384	6 298	7 697	4 157	4 213	4 365	4 641	4 840	2 132	2 397	2 489	2 728	2 653	1 967	1 996	2 195	2 283	2 454
Gauteng	25 413	26 827	28 577	29 172	33 207	42 513	40 860	43 663	46 609	48 647	19 921	23 414	27 468	28 198	30 352	13 627	15 473	18 206	18 750	19 525
KwaZulu-Natal	19 614	20 200	20 778	22 976	25 654	18 171	18 322	18 783	20 196	20 608	10 202	11 696	13 321	13 686	14 437	4 731	5 266	6 110	6 965	8 280
Limpopo	11 488	12 658	13 534	14 337	16 701	2 513	2 642	2 767	3 143	3 232	1 243	1 423	1 668	1 882	2 020	751	912	975	1 704	2 278
Mpumalanga	7 556	7 950	8 527	8 997	10 543	3 752	3 801	4 070	4 326	4 617	2 425	2 671	3 051	3 021	3 347	1 319	1 448	1 538	1 762	1 787
North West	7 018	7 677	8 254	8 851	10 207	4 277	4 379	4 619	4 544	5 171	1 690	1 860	2 022	2 085	2 284	1 552	1 618	1 873	2 035	2 005
Northern Cape	2 366	2 781	3 039	3 100	3 420	1 588	1 600	1 669	1 868	1 955	1 361	1 036	1 166	1 307	1 402	597	562	642	677	719
Western Cape	9 427	10 098	10 862	11 299	12 171	17 326	17 469	19 067	20 898	21 241	11 809	11 229	13 748	12 981	13 374	4 026	4 570	4 825	4 739	4 956
South Africa	104 228	110 819	117 289	122 271	139 461	101 052	99 974	106 137	113 563	118 101	54 346	59 844	69 639	71 146	75 521	30 591	34 179	38 943	41 877	46 102

*Some figures have been revised.

Table 6 – Municipal major expenditure streams per province for five-year period: 2017-2021 – R million

Province	Employee related costs					Electricity purchases					Water purchases					Debt impairment				
	2017	2018	2019	2020*	2021	2017	2018	2019	2020*	2021	2017	2018	2019	2020*	2021	2017	2018	2019	2020*	2021
Eastern Cape	9 669	10 219	11 143	11 837	13 205	5 581	5 592	5 962	6 518	7 038	517	550	594	601	601	1 875	2 331	2 762	3 528	4 497
Free State	4 760	5 183	5 628	6 096	6 217	3 617	3 044	3 225	4 396	4 676	1 231	1 308	1 774	1 846	1 785	2 259	2 144	2 836	2 959	3 060
Gauteng	28 062	29 840	33 912	38 973	40 887	30 777	30 645	32 328	36 408	38 803	10 042	11 610	13 784	14 640	15 078	9 798	8 749	12 882	17 117	15 513
KwaZulu-Natal	15 815	17 875	19 138	20 480	22 518	13 206	12 900	13 726	15 249	16 407	2 814	3 334	4 114	5 245	5 615	3 062	3 016	2 667	5 300	5 022
Limpopo	4 625	5 165	5 679	6 175	6 578	2 092	2 107	2 278	2 400	2 569	727	716	716	682	780	863	1 518	1 121	1 144	1 822
Mpumalanga	4 569	5 266	5 778	6 327	6 958	3 557	3 600	4 010	4 503	4 692	844	973	1 220	879	1 048	1 121	1 787	2 025	2 501	3 204
North West	3 920	4 200	4 680	5 073	5 348	3 482	3 223	4 290	3 914	4 412	1 000	1 285	1 583	1 580	1 371	1 879	1 773	2 445	3 444	3 084
Northern Cape	2 168	2 419	2 561	2 649	2 904	1 243	1 284	1 380	1 544	1 621	240	245	284	313	307	447	212	380	394	448
Western Cape	14 678	16 439	18 363	19 247	22 202	12 014	11 809	12 532	14 191	14 899	521	360	495	694	590	2 351	2 459	2 443	3 982	4 011
South Africa	88 266	96 606	106 882	116 857	126 817	75 569	74 204	79 731	89 123	95 117	17 936	20 381	24 564	26 480	27 175	23 655	23 989	29 561	40 369	40 661

*Some figures have been revised.

Annexure A – Changes brought about by mSCOA classification

Net Assets and liabilities	
Pre-mSCOA classification	mSCOA classification
Net assets	No change
Housing development fund	No change
Capital replacement reserve	No change
Capitalisation reserve	No change
Government grant reserve	Falls away – it went to other reserves and funds
Donations and public contributions reserve	Falls away – it went to other reserves and funds
Self-insurance reserve	No change
Revaluation reserve	No change
COVID reserve	No change, but now written in full
Other reserves (including pre-GAMAP reserves and funds)	Renamed: other reserves and funds
Retained surplus/(accumulated deficit)	Renamed: accumulated surplus/(deficit)
Outside shareholders' interest	Renamed: non-controlling interest
	Employee benefit reserve (new variable)
	Investment in associate account (new variable)
	Non-current provisions reserve (new variable)
	Valuation reserve (new variable)
Non-current liabilities	No change
	Deferred tax liabilities (new variable)
	Operating lease liability (new variable)
	Non-current borrowings (new variable - heading)
	Marketable bonds (new variable)
	Annuity, bullet and concessionary loans (new variable - heading)
Banks	No change
Development Bank of Southern Africa (DBSA)	No change
Marketable loan stock and bonds	Falls away – it is now under marketable bonds and other non-current liabilities
Domestic loan stock held by:	Falls away – it is now under other non-current liabilities
Other local government institutions	Falls away – it is now under other non-current liabilities
Public financial corporations	Falls away – it is now under other non-current liabilities
Public non-financial corporations	Falls away – it is now under other non-current liabilities
Other (includes public/private companies, individuals, etc.)	Falls away – it is now under other non-current liabilities
Bonds held by:	Falls away – it is now under marketable bonds
Other local government institutions	Falls away – it is now under marketable bonds
Public financial corporations	Falls away – it is now under marketable bonds
Public non-financial corporations	Falls away – it is now under marketable bonds
Other (includes public/private companies, individuals, etc.)	Falls away – it is now under marketable bonds
Long-term loans from:	Falls away – it is now under other non-current liabilities
National government	Falls away – it is now under other non-current liabilities
Provincial government	Falls away – it is now under other non-current liabilities
Local government institutions	Falls away – it is now under other non-current liabilities
Local authorities loans fund	Falls away – it is now under other non-current liabilities
Public financial corporations (excluding DBSA)	Falls away – it is now under other non-current liabilities
Public non-financial corporations	Falls away – it is now under other non-current liabilities
Insurers	Falls away – it is now under other non-current liabilities
Pension funds	Falls away – it is now under other non-current liabilities
Other domestic sources (including INCA)	Renamed: other sources
Long-term finance lease obligation	Renamed: finance lease liability
Non-current provisions	No change
Non-current employee benefit obligation	No change
Other non-current liabilities	No change
Current liabilities	No change

Annexure A – Changes brought about by mSCOA classification (continued)

Net Assets and liabilities concluded	
Pre-mSCOA classification	mSCOA classification
	Current borrowings (new variable - heading)
	Current portion of annuity, bullet and concessionary loans (new variable - heading)
Short-term bonds	Falls away – it is now under marketable bonds
Short-term loans from:	Falls away – other current liabilities
National government	Falls away – other current liabilities
Provincial government	Falls away – other current liabilities
Local government institutions	Falls away – other current liabilities
Development Bank of Southern Africa (DBSA)	No change
Local authorities loans fund	Falls away – other current liabilities
Public financial corporations (excluding DBSA)	Falls away – other current liabilities
Public non-financial corporations	Falls away – other current liabilities
Banks	No change
Insurers	Falls away – other current liabilities
Pension funds	Falls away – other current liabilities
Other domestic sources (including INCA)	Falls away – other current liabilities
Short-term finance lease obligation	Renamed: current portion of finance lease liability
Current provisions	No change
Current employee benefit obligation	No change
Unspent conditional grants	Renamed: transfers and subsidies unspent
VAT payable	No change
Bank overdraft	No change
Creditors:	Renamed: trade and other payables from exchange and non-exchange transactions
Trade creditors	Renamed: trade payables
Consumer deposits	No change
Income/payments received in advance	Renamed: advance payments
	Retentions (new variable
	Trade and other payables from non-exchange transactions (new variable - heading)
	Transfers and subsidies payable (new variable)
Other creditors	Renamed: other payables
Other current liabilities	No change
Total net assets and liabilities	No change

Annexure A – Changes brought about by mSCOA classification (continued)

Assets	
Pre-mSCOA classification	mSCOA classification
Non-current assets	No change
Property, plant and equipment	No change
	Heritage assets (new variable)
Investment property	No change
Intangible assets	No change
Biological assets	No change
Investments in marketable securities:	Renamed: Investments
	Deposit taking institutions (Financial institutions) (new variable)
	Listed/unlisted bonds and stocks (new variable)
	Interest rate swaps (new variable)
	National government securities (new variable)
	Other investments (new variable)
	Investments in associates and joint ventures (new variable)
	Deferred Tax Assets (new variable)
Municipal stock/shares	Falls away – now under investments
Other marketable stock/shares:	Falls away – now under investments
Government stock	Falls away – now under investments
Treasury bills	Falls away – now under investments
Other local government institutions' stock	Falls away – now under investments
Public financial corporations' stock	Falls away – now under investments
Public non-financial corporations' stock	Falls away – now under investments
Companies shares	Falls away – now under investments
Investments in non-marketable instruments of spheres of government, government institutions and elsewhere	Falls away – now under investments
Long-term receivables, loans, deposits and investments	Falls away
Long-term receivables:	Renamed: non-current receivables
Car loans	Falls away – now under other receivables
Housing selling scheme loans	Renamed: housing selling schemes
Sewerage connection loans	Falls away – now under other receivables
Electricity appliance purchase scheme	Falls away – now under other receivables
Other (including local government institutions)	Renamed: other receivables
	Bursary obligations (new variable)
	Operating lease (new variable)
	Consumer receivables (new variable)
Long-term loans to:	Falls away – now under other non-current assets
Other local government institutions	Falls away – now under other non-current assets
Public financial corporations	Falls away – now under other non-current assets
Public non-financial corporations	Falls away – now under other non-current assets
Other companies/institutions	Falls away – now under other non-current assets
Long-term deposits and investments with:	Falls away – now under other non-current assets
Banks	Falls away – now under investments
Public financial corporations	Falls away – now under investments
Public non-financial corporations	Falls away – now under investments
Other	Falls away – now under investments
Other non-current assets	No change
Current assets	No change
Inventory	No change

Annexure A – Changes brought about by mSCOA classification (continued)

Assets concluded	
Pre-mSCOA classification	mSCOA classification
Short-term loans, deposits and investments	Falls away – catered for under other current assets
Short-term loans to:	Falls away – catered for under other current assets
Other local government institutions	Falls away – catered for under other current assets
Public financial corporations	Falls away – catered for under other current assets
Public non-financial corporations	Falls away – catered for under other current assets
Other companies/institutions	Falls away – catered for under other current assets
Short-term loans, deposits and investments	Falls away – catered for under other current assets
Short-term deposits and investments with:	Falls away – catered for call deposits and investments
Banks	Falls away – catered for call deposits and investments
Public financial corporations	Falls away – catered for call deposits and investments
Public non-financial corporations	Falls away – catered for call deposits and investments
Other	Falls away – catered for call deposits and investments
Debtors:	Renamed: receivables from exchange and non-exchange transactions
	Receivables from exchange transactions (new variable – heading)
	Electricity (new variable)
	Waste management (new variable)
	Waste water management (new variable)
	Water (new variable)
	Property rental receivables (new variable)
	Other receivables from exchange transactions (new variable)
	Receivables from non-exchange transactions (new variable – heading)
	Property rates (new variable)
	Fines (new variable)
	Other receivables from non-exchange transactions (new variable)
Consumer debtors	Renamed: deposits (fuel, ESKOM, etc.)
Other debtors (including short-term portion of long-term receivables)	Renamed: other receivables from exchange and non-exchange transactions
VAT receivable	Inventory consumed (new variable)
Pre-paid expenses	Renamed: prepayments and advances
	Cash and cash equivalents (new heading)
Petty cash and bank	Falls away – now broken down into the two variables below
	Cash at bank (new variable)
	Call deposits and investments (new variable)
	Cash on hand (new variable)
Other current assets	No change
Total assets	No change

Annexure A – Changes brought about by mSCOA classification (continued)

Expenditure	
Pre-mSCOA classification	mSCOA classification
Employee-related costs	No change
Remuneration of board of directors/councillors	Remuneration of councillors
Interest paid	Finance costs
Loss on the disposal of property, plant and equipment	Loss on disposal of assets
Bad debts	Debt impairment
Contracted services	Contracted services: Consultants and professional services Contractors (new variable) Outsourced services (new variable)
Collection costs	Falls away – it went to other operational costs
Depreciation and amortisation	Depreciation, amortisation and impairment
Impairment loss (PPE)	Combined with depreciation and amortisation
Repairs and maintenance	Falls away – it went to other contracted services
Bulk purchases:	No change
Purchases of water	No change
Purchases of electricity	No change
Other bulk purchases	No change
	Operating leases:
	Buildings and infrastructure (new variable)
	Computer, furniture and office equipment (new variable)
	Transport assets, machinery and equipment (new variable)
	Other operating leases (new variable)
	Inventory consumed (new variable)
Grants and subsidies paid to:	Transfers and subsidies paid to:
Other local government institutions	No change
Tertiary institutions of higher learning	No change
Households or individuals	No change
Non-profit institutions serving households	No change
Other	Other transfers and subsidies
General expenditure:	Operational costs:
Accommodation, travelling and subsistence	Travel and subsistence
Advertising, promotions and marketing	Advertising, publicity and marketing
Audit fees	External audit fees
Bank charges	Bank charges, facility and card fees
Cleaning services	Falls away – it went to other contracted services / other operational costs
Consultancy and professional fees	Falls under contracted services
Entertainment costs	No change
Fuel and oil	Wet fuel
Hiring of plant and equipment	Hire charges
Insurance costs	Insurance underwriting
Pharmaceutical	Falls away – it went to other operational costs
Postal and courier services	Courier and delivery services
Printing and stationery	Printing, publications and books
Rebates for property rates	Falls away – it went to other expenditure
Rebates for service charges	Falls away – it went to other expenditure
Rental of land, buildings and other structures	Catered for under operating leases
Rental of office equipment	Catered for under operating leases
Security services	Falls away – it went to other contracted services
Subscriptions and membership fees	Professional bodies, membership and subscriptions
Telecommunication services	Communication
Training and education	Falls away – it went to other operational costs
Transport costs	No change
	Other operational costs
Other expenditure	No change
Taxation	No change
Surplus	No change
Total expenditure	No change

Annexure A – Changes brought about by mSCOA classification (concluded)

Revenue	
Pre-mSCOA classification	mSCOA classification
Property rates from:	No change
Residential	No change
Commercial or business	No change
State	No change
Other (includes agricultural, municipal, etc.)	No change
Property rates - penalties imposed and collection charges	No change
Service charges:	No change
Sales of water	No change
Sales of electricity	No change
Refuse removal charges	No change
Sewerage and sanitation charges	No change
Other service charges (e.g. fresh produce market)	No change
Interest earned from:	Interest on:
External investments	Investments
Outstanding debtors	Receivables
Dividends received	Dividends
Fines	Fines, penalties and forfeits
Licences and permits	No change
Income for agency services	Agency services
Rental of facilities and equipment	Rental
Bad debts recovered	Falls away – now under operational revenue
	Sales of goods and rendering of services (new variable)
Public contributions and donations (including PPE)	Moves to transfers and subsidies received
Gains on the disposal of property, plant and equipment	Gains on the disposal of assets
Grants and subsidies from:	Government transfers and subsidies received:
National government	Catered for under operational transfers
Provincial government	Catered for under operational transfers
Local government	Catered for under operational transfers
Spent conditional grant	Catered for under capital transfers
	Capital (new variable)
	Operational (new variable)
Other	Other transfers and subsidies (incl. contributions and donations)
Other income	Operational revenue
Deficit	No change
Total income	Total revenue

Explanatory notes

Introduction

The purpose of this census is to provide both stakeholders and users with information that allows analysis and assessment of the state of municipal finances.

The publication consists of aggregated preliminary data for 2021 and revised data for 2020 in respect of:

- the consolidated statement of financial position of municipalities;
- the consolidated analysis statement of property, plant and equipment, and other assets as at 30 June 2021;
- the consolidated statement of financial performance of municipalities – rates and general services; and
- the consolidated statement of financial performance of municipalities – housing and trading services.

Unit data (for each municipality) for 2020 and 2021 are available on Stats SA's website.

Scope of census of municipalities

All 257 institutions defined as local government institutions in terms of the Municipal Act, 1998 (Act No. 117 of 1998), Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), Local Government Transition Act, 1993 (Act No. 209 of 1993) and Local Government Transitional Act, Second Amendment Act, 1996 (Act No. 97 of 1996) were included in this survey. The questionnaire for this survey was designed to address primarily the national accounts requirements of Statistics South Africa and the South African Reserve Bank.

Classification and accounting standards

For the purposes of classification of local government institutions according to activities, Stats SA used the *Standard Industrial Classification of all Economic Activities* (SIC), Fifth edition, January 1993. Activities of the local government institutions also adhere to the General Accepted Municipal Accounting Practice (GAMAP), Generally Recognised Accounting Practice (GRAP). Questionnaires have been designed to take into account these new accounting standards adopted by municipalities.

The Municipal Standard Chart of Accounts (mSCOA) was initially rolled out (piloted–tested) in 2017 in some municipalities. mSCOA was implemented in all municipalities from the beginning of the 2020 municipal financial year. This is a multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.

Imputation

Not all municipalities submitted the questionnaires and AFS for 2020/2021 financial year. The three municipalities that did not submit questionnaires and AFS (see technical note on pages 2 and 3) were imputed. Unit and item imputation was done using the unweighted historic imputation method. Thus the same figures that were reported for 2020 were used for 2021 for those municipalities.

Statistical unit

The statistical unit for the collection of information was the municipality.

Comparability with previous Census

This financial census of municipalities for the year ended 30 June 2021 is generally comparable with the publication for the year ended 30 June 2020.

Related publications

Users may wish to refer to the following Stats SA publications:

- P9110 *Quarterly financial statistics of selected municipalities*;
- P9101 *Capital expenditure by the public sector*;
- P9114 *Financial census of municipalities (previous publications)*;
- P9115 *Non-Financial census of municipalities*;
- P0277 *Quarterly employment statistics*;
- P9119.4 *Financial statistics of consolidated general government*; and

- P0441 *Gross domestic product.*

Symbols and abbreviations used

*	Some figures have been revised
0	Nil or not applicable
AFS	Annual Financial Statements
COID	Compensation for Occupational Injuries and Diseases
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
mSCOA	Municipal Standard Chart of Accounts
Stats SA	Statistics South Africa

Revision of data

Information for 2021 should be regarded as preliminary, and may be revised. The revised figures are due to late submission of the data to Stats SA or respondents reporting revisions. The latter are normally the result of post-balance sheet events (events that occur between the balance sheet date and date on which the financial statements are approved by the municipal council) as well as through auditing of the financial statements. mSCOA classifications also have an impact on the 2020 revised figures.

Fluctuations between 2020* and 2021

The fluctuations in the data between 2020* and 2021 can be due to:

- revisions due to late responses or revisions from respondents;
- municipalities acquiring or disestablishing entities; and/or
- mSCOA classifications.

Rounding-off of figures

Slight discrepancies may occur between sum of the component items and totals where figures have been rounded off.

Glossary of selected variables

Acid test ratio	The acid test ratio is calculated as current assets minus inventory divided by current liabilities. The accepted acid test ratio is considered to be 1:1. In other words, the entity is able to meet its current credit obligations without disposing of its inventory.
Agency services	The guideline underlying agency services is that the municipality performs a service on behalf of another entity. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of any commission received or receivable for the collection or handling of the gross flows.
Biological assets	Biological assets are livestock for breeding (including fish and poultry), dairy, draught, etc., and vineyards, orchards and other plantations of trees yielding repeat products that are under the direct control, responsibility and management of municipalities.
Capital replacement reserve (CRR)	In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/deficit to the CRR in terms of a council resolution. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/deficit is credited by a corresponding amount when the amounts in the CRR are utilised. The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.
Capitalisation reserve	<p>On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a capitalisation reserve instead of the accumulated surplus/deficit in terms of a directive (budget circular) issued by National Treasury. The purpose of this reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/deficit.</p> <p>The balance on the capitalisation reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the capitalisation reserve to the accumulated surplus/deficit. When an item of property, plant and equipment is disposed, the balance in the capitalisation reserve relating to such item is transferred to the accumulated surplus/deficit.</p>
COID Reserve	This is money set aside for injuries, disablements, diseases and deaths caused by work-related activities. It is usually transferred from accumulated surplus account.
Consolidated statement of financial performance	The aggregate or consolidated statement of financial performance reports the institution's financial performance during a specific period in time. This statement covers all the revenue and expenditure of an entity over a specific period in time.
Consolidated statement of financial position	The aggregate or consolidated statement of financial position reports the entity's financial position at a specific point in time (the end of the reporting period). This statement covers all assets, net assets and liabilities at the end of the financial year.
Consultants and professional services	Consulting services refer to specialist services and skills provided that are required for the achievement of a specific objective, with the aim of providing expert and professional advice on a time and material basis. It is unnecessary to maintain these skills in-house, since they are required on a once-off or temporary basis. Therefore, a consultant is a professional person appointed by the municipality to provide technical and specialist advice or to assist with the design and implementation of specific projects or programmes.

Contracted services	This group of accounts consists of outsourced services, consultants and professional services, and contractors. See above and below for descriptions of these.
Contractors	Contractors are required to provide services that are not the core business of the municipality. It is normally not cost effective to maintain these skills within the department. Contractors include costs associated with the use of contracted individuals or businesses on projects or tasks. This does not include amounts payable to contractors in respect of provision of services such as cleaning and security even if a staff element can be identified. Note also that it is common practice that the said contractor provides all the materials required for the project – the tenders are for the whole project, materials included.
Current ratio	The current ratio is calculated as current assets divided by current liabilities. This ratio measures the extent to which current or short-term assets can be disposed to liquidate the current or short-term liabilities.
Current expenditure	Current expenditure refers to transactions that decrease the net worth of the institution, including interest paid, compensation of employees, grants and subsidies paid and depreciation, but excluding the acquisition of fixed capital. It consists of the total expenditure of rates and general services (excluding the surplus) and the total expenditure of housing and trading services (excluding the surplus).
Debt impairment	Impaired debt is debt of any kind that is unlikely to be paid in full. This results in a loss of value of the amounts that an entity has pending to claim from its customers for the goods or services delivered.
Depreciation, amortisation and impairment	<p>Depreciation is the systematic allocation of the cost of an asset from the statement of financial position to depreciation expense on the statement of financial performance over the useful life of the asset.</p> <p>Amortisation is the systematic allocation of the discount, premium or issue cost of a financial instrument over the life of the instrument, or an intangible asset over a certain period.</p> <p>Impairment is a permanent reduction in the value of an asset. It may occur as a result of an unusual or one-time event, such as a change in legal or economic conditions, a change in consumer demand, or damage that impacts an asset.</p>
District municipality	District municipality refers to a municipality that has a municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category C municipality (refer to the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)).
Donation and public contribution reserve	<p>When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/deficit to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/deficit.</p> <p>The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions. When an item of property, plant and equipment financed from government grants is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/deficit.</p>

Employee-related costs	<p>Employee-related costs include payment to full-time and part-time employees irrespective of whether the remuneration is paid out of revenue capital or any other account.</p> <p>Employee-related costs also include:</p> <ul style="list-style-type: none"> • basic compensation; • allowances; • contributions to other benefit funds of employees such as medical aid, pension fund contributions, group life, etc. (excluding unemployment insurance and workmen's compensation, etc. which may be looked upon as a form of insurance and would appear under general expenditure), and other benefits such as housing subsidies; and • uniform and clothing allowances (clothing, boots, overalls etc. supplied to uniformed employees). <p>Also refer to the <i>Quarterly employment statistics</i> (QES – P0277), which measures employment and gross earnings of all employees on a given municipal payroll.</p>
Fines, penalties and forfeits	<p>This item consists of all compulsory receipts imposed by a court or quasi-judicial body considered to be non-exchange revenue, e.g. traffic fines, fines for illegal connections, disconnection fees, motor vehicle licences, tender withdrawals, retentions, unclaimed money or deposits etc.</p>
Government grant reserve	<p>When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/deficit to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/deficit. The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant-funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/deficit. When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/deficit.</p>
Housing development fund	<p>The housing development fund was established in terms of the Housing Act, 1997 (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a housing development fund. Housing selling schemes both complete and in progress as at 1 April 1998, were also transferred to the housing development fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the housing development fund. Monies outstanding to the credit of the housing development fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial Member of Executive Committee responsible for housing.</p>
Housing services	<p>Housing includes all activities associated with the municipal provision of housing.</p>
Intangible assets	<p>Intangible assets refer to assets that cannot be touched, weighed or physically measured and include:</p> <ul style="list-style-type: none"> • mineral exploration rights; • computer software; and • patent copyright, brand names and trademarks.

Investment property	<p>Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both.</p> <p>Examples of investment property: [IAS 40.8]</p> <ul style="list-style-type: none"> • land held for long-term capital appreciation; • land held for undetermined future use; • building leased out under an operating lease; • vacant building held to be leased out under an operating lease; and • property that is being constructed or developed for future use as investment property.
Licences or permits	This item provides accounts for the granting of licences or permits associated with a regulatory function administered by the municipality.
Local municipality	<p>Local municipality refers to a municipality that shares a municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality.</p> <p>Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).</p>
Non-current borrowings	Non-current borrowings are loans with an outstanding maturity of more than one year.
Marketable loan stock	Marketable loan stock refers to stocks, debentures and similar debt instruments that are freely negotiable, i.e. securities for which transfer registers are kept and which are usually listed on the stock exchange. Discounts originating with the issue of stocks below par are included in the stock liability.
Metropolitan municipality	Metropolitan municipality means an institution that has a municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category A municipality (refer to the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)).
Money market instruments	Money market instruments include bankers' acceptance, trade bills, and promissory notes, capital project bills, bridging debentures, negotiable certificates of deposits, Land Bank bills, Land Bank and the South African Reserve Bank's debentures.
Municipality	Municipality is a generic term describing the 'unit' of government in the local spheres responsible for local government in a geographically demarcated area and including district, local and metropolitan municipalities. Municipalities as an institution consist of a municipal council (elected political representatives) and the municipal administration (appointed officials).
Net carrying value	Net carrying value (also known as the book value or carrying value) is the value of an asset according to its balance sheet, which is the original acquisition cost less accumulated depreciation, amortisation or impairment costs made against the asset and disposals if any.
Operating leases	These are leases other than a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.
Operational costs including other operational costs not covered separately	This group of accounts provides for all expenditure items not specifically provided for in any other category and replaces the customary "miscellaneous, general, sundry, other, etc." classification. An operating expense is a day-to-day expense such as sales and administration, or research and development, accounting expenses, licence fees, advertising, office expenses, utilities such as telephone, insurance, property management, travel and vehicle expenses.

Operational revenue	This group of accounts provides for “all other types of revenue” not specifically provided for in the revenue accounts, e.g. administrative handling fees, bad debts recovered, breakages recovered, collection charges, commission, incidental cash surpluses, insurance refunds, skills development levy refunds, agricultural activities etc.
Property, plant and equipment	Property, plant and equipment are tangible assets which are not easily convertible into cash, and held by entities for their own use and as income generators or for rental to others that the entities anticipate using for more than one period.
Provision	<p>Provision is any amount set aside for the purpose of meeting the following:</p> <ul style="list-style-type: none"> • specific requirements where the amounts thereof can be closely estimated; and • specific commitments and contingencies as at the date of the balance sheet, • where the amounts involved cannot be determined with significant accuracy. <p>Provision includes:</p> <ul style="list-style-type: none"> • bad debts; and • leave payouts.
Public corporations	<p>Public corporations comprise public non-financial corporations and public financial corporations.</p> <p>Public non-financial corporations consist of residential non-financial corporations and quasi corporations that are subject to control by government units which sell industrial or commercial goods and services to the public on a large scale. Public financial corporations consist of all corporations, quasi-corporations, and non-profit institutions (NPIs) principally engaged in financial intermediation or in auxiliary financial activities closely related to financial intermediation.</p>
Reserve	Reserve denotes amounts set aside out of surpluses that are not designed to meet any liability, contingency, commitment or diminution in the value of assets known to exist as at the date of the balance sheet.
Revaluation reserve	The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/deficit. On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on devalued amounts, are credited or charged to the Statement of Financial Performance.
Self-insurance reserve	The municipality has a self-insurance reserve amount set aside to offset potential losses or claims that cannot be insured externally (adapt to specific circumstances). The balance of the self-insurance reserve is determined based on 5% of the insurance risk carried by the municipality.
Trading services	Trading services are services for which the tariffs are determined in such a way that the provision of the service should yield a trading profit (market-related goods and services). These include waste management (refuse removal, solid waste disposal (landfill sites), street cleaning, recycling, etc.), waste water management (sewerage, storm water management and public toilets), water (water distribution, water storage), electricity (electricity distribution, electricity generation, street lighting), etc.
Value added tax	This is taxation imposed in respect of the supply of goods and services. It is collected in stages by enterprises but is ultimately charged in full to the final purchasers.

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Forthcoming issues	Issue	Expected release date
	Financial census of municipalities, 2022	June 2023

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