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STATISTICAL RELEASE

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Financial census of municipalities

for the year ended 30 June 2022

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Technical notes

Response rates for the 2022 financial year per province

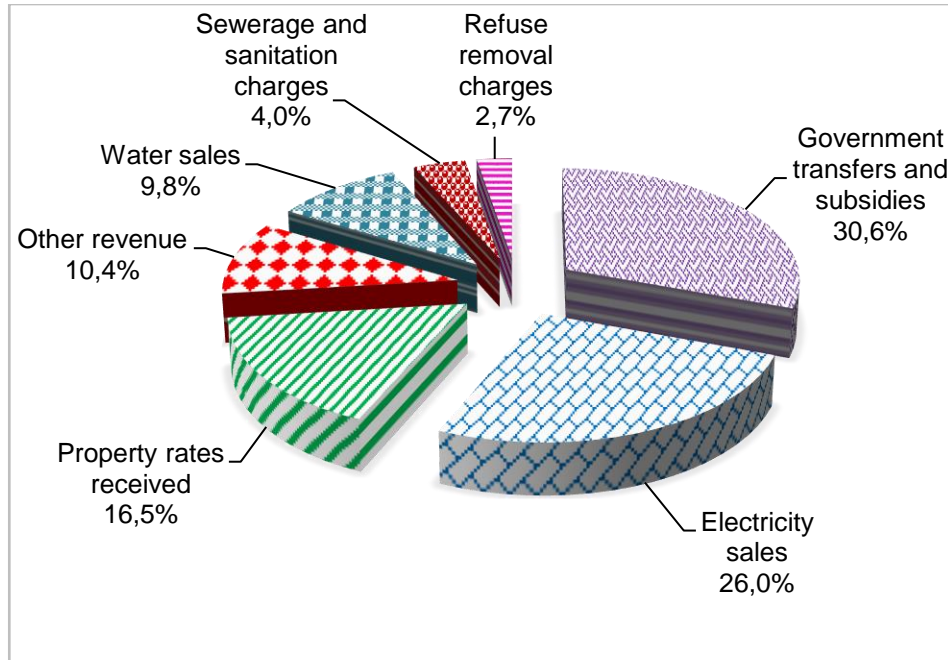
Province	Municipalities					
	Metropolitan municipalities (MMs)	District municipalities (DMs)	Local municipalities (LMs)	Response per province	Total per province	Response rate (%)
Western Cape	1	5	24	30	30	100
Eastern Cape	2	6	31	39	39	100
Northern Cape	0	5	26	31	31	100
Free State	1	4	16	21	23	91
KwaZulu-Natal	1	10	43	54	54	100
North West	0	4	17	21	22	95
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 data collection cut-off date (31 May 2023):

Province	Municipality name	AFS submitted for 2021?	AFS submitted for 2022?
Free State	Kopanong local municipality	Yes	No
Free State	Masilonyana local municipality	Yes	No
North West	Ditsobotla local municipality	Yes	No

Key findings

Figure A – Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2021*[†]

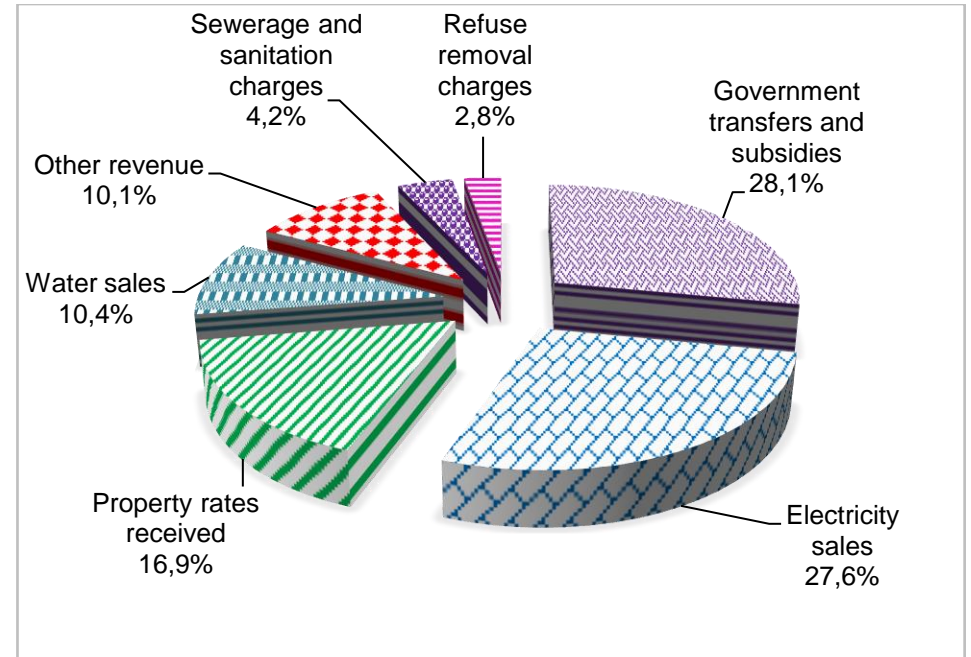


* Some figures have been revised.

[†] The 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 R452 976 million (total revenue less deficit: see tables in Part 3) for the year ended 30 June 2021 was 'government transfers and subsidies' (30,6%), followed by 'electricity sales' (26,0%), 'property rates received' (16,5%), 'other revenue' (10,4%) (which consists of fines, penalties and forfeits, licences and permits, other transfers and subsidies, etc.) and 'water sales' (9,8%). 'Sewerage and sanitation charges' (4,0%) and 'refuse removal charges' (2,7%) were the smallest contributors.

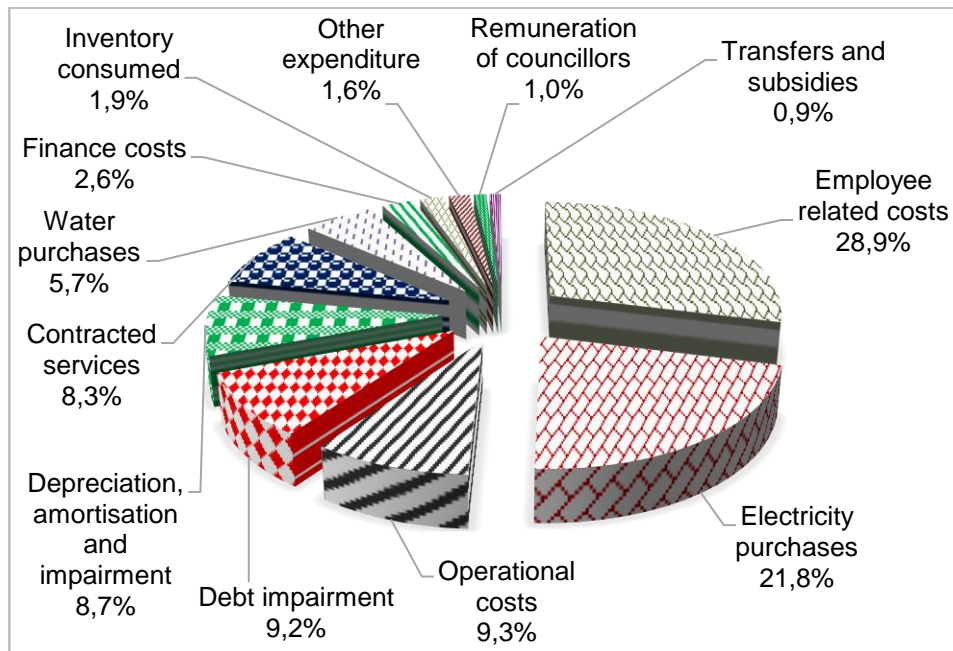
Figure B – Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2022[†]



[†] The 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 R473 431 million (total revenue less deficit: see tables in Part 3) for the year ended 30 June 2022 was 'government transfers and subsidies' (28,1%), followed by 'electricity sales' (27,6%), 'property rates received' (16,9%), 'water sales' (10,4%) and 'other revenue' (10,1%) (which consists of fines, penalties and forfeits, licences and permits, other transfers and subsidies, etc.). 'Sewerage and sanitation charges' (4,2%) 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 2021*!

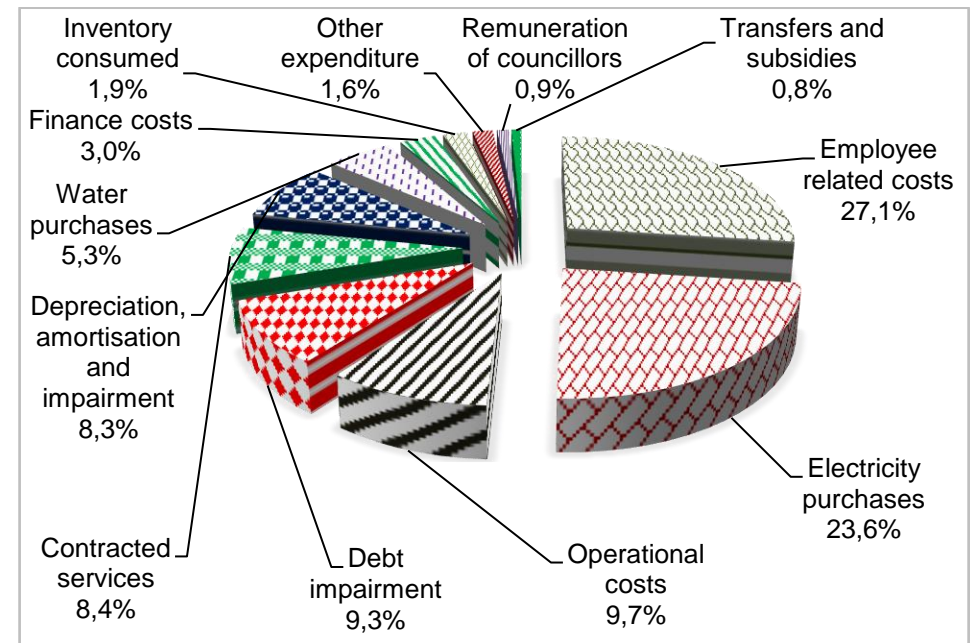


* Some figures have been revised.

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

As depicted in Figure C above for the financial year ended June 2021, the largest contributor to municipal total operating expenditure of R437 753 million (total expenditure less surplus: see tables in Part 3) was 'employee-related costs' (28,9%), followed by 'electricity purchases' (21,8%), 'operational costs' (9,3%) (which consists of travel and subsistence, external audit fees, bank charges and card fees, communication, wet fuel, hire charges, insurance underwriting, etc.), 'debt impairment' (9,2%), 'depreciation, amortisation and impairment' (8,7%), 'contracted services' (8,3%) and 'water purchases' (5,7%). The smallest contributors were 'transfers and subsidies' (0,9%), 'remuneration of councillors' (1,0%), 'other expenditure' (1,6%) (which consists of loss on disposal of assets, operating leases, etc.), 'inventory consumed' (1,9%) and 'finance costs' (2,6%).

Figure D – Municipal operating expenditure as a percentage of total expenditure for the year ended 30 June 2022¹



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

As depicted in Figure D above for the financial year ended 30 June 2022, the largest contributor to municipal total operating expenditure of R472 120 million (total expenditure less surplus: see tables in Part 3) was 'employee-related costs' (27,1%), followed by 'electricity purchases' (23,6%), 'operational costs' (9,7%) (which consists of travel and subsistence, external audit fees, bank charges and card fees, communication, wet fuel, hire charges, insurance underwriting, etc.), 'debt impairment' (9,3%), 'contracted services' (8,4%), 'depreciation, amortisation and impairment' (8,3%) and 'water purchases' (5,3%). The smallest contributors were 'transfers and subsidies' (0,8%), 'remuneration of councillors' (0,9%), 'other expenditure' (1,6%) (which consists of loss on disposal of assets, operating leases, etc.), 'inventory consumed' (1,9%) and 'finance costs' (3,0%).

Table 1 – Acid test ratio

Year	Acid test ratio of municipalities for the financial years ended 30 June 2021 and 30 June 2022		
	Current assets minus inventory	Current liabilities	Acid test ratio
	R million	R million	
2021*	153 240	181 519	0,84
2022	159 914	206 543	0,77

* 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 2021 and 30 June 2022, municipalities had acid test ratios of 0,84 and 0,77 respectively.

Table 3: Debt-to-income ratio

Year	Debt-to-income ratio of municipalities for the financial years ended 30 June 2021 and 30 June 2022		Debt-to-income ratio
	Total liabilities	Total revenue	
	R million	R million	
2021*	305 386	452 976	0,67
2022	328 756	473 431	0,69

* Some figures have been revised.

The debt-to-income ratio provides a simple measure of the total liabilities of municipalities compared to their total revenue. This ratio is viewed as important in the risk management process of an entity because it compares how much municipalities owe each year to how much they earn or generate. As can be seen from Table 3 above, municipalities had debt-to-income ratios of 0,67:1 and 0,69:1 for the financial years ended 30 June 2021 and 30 June 2022 respectively.

Table 2 – Current ratio

Year	Current ratio of municipalities for the financial years ended 30 June 2021 and 30 June 2022		
	Current assets	Current liabilities	Current ratio
	R million	R million	
2021*	161 916	181 519	0,89
2022	170 066	206 543	0,82

* 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 2021 and 30 June 2022, municipalities had current ratios of 0,89 and 0,82 respectively.

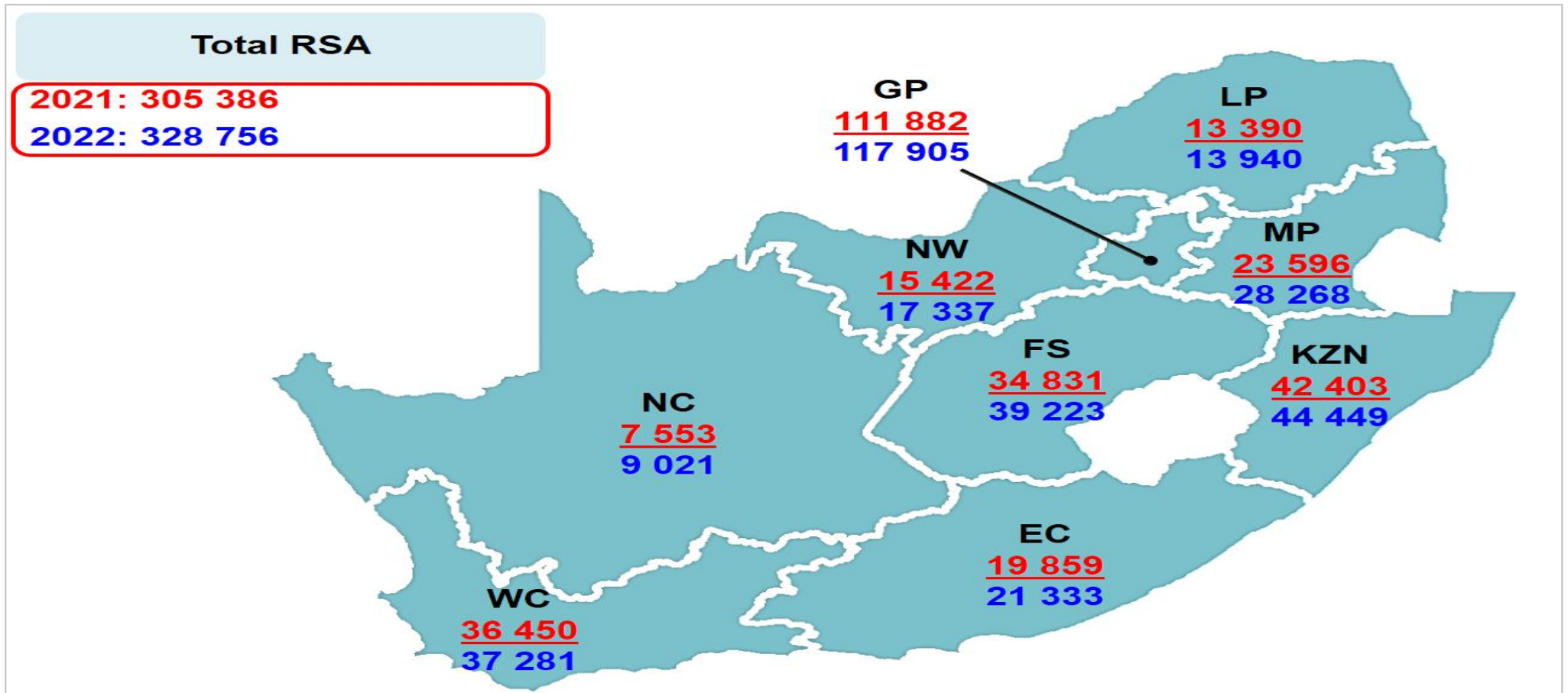
Table 4: Debt ratio

Year	Debt ratio of municipalities for the financial years ended 30 June 2021 and 30 June 2022		Debt ratio
	Total liabilities	Total assets	
	R million	R million	
2021*	305 386	954 603	0,32
2022	328 756	981 883	0,33

* Some figures have been revised.

Debt ratio indicates what proportion of debt municipalities have relative to their assets and gives an idea how much municipalities rely on debt to finance their assets. This ratio assist entities to assess risks they are facing in terms of their debt load. For the financial years ended 30 June 2021 and 30 June 2022, the debt ratios were 0,32 and 0,33 respectively.

Figure E – Municipal total liabilities per province as at 30 June 2021* and 30 June 2022 (R million)

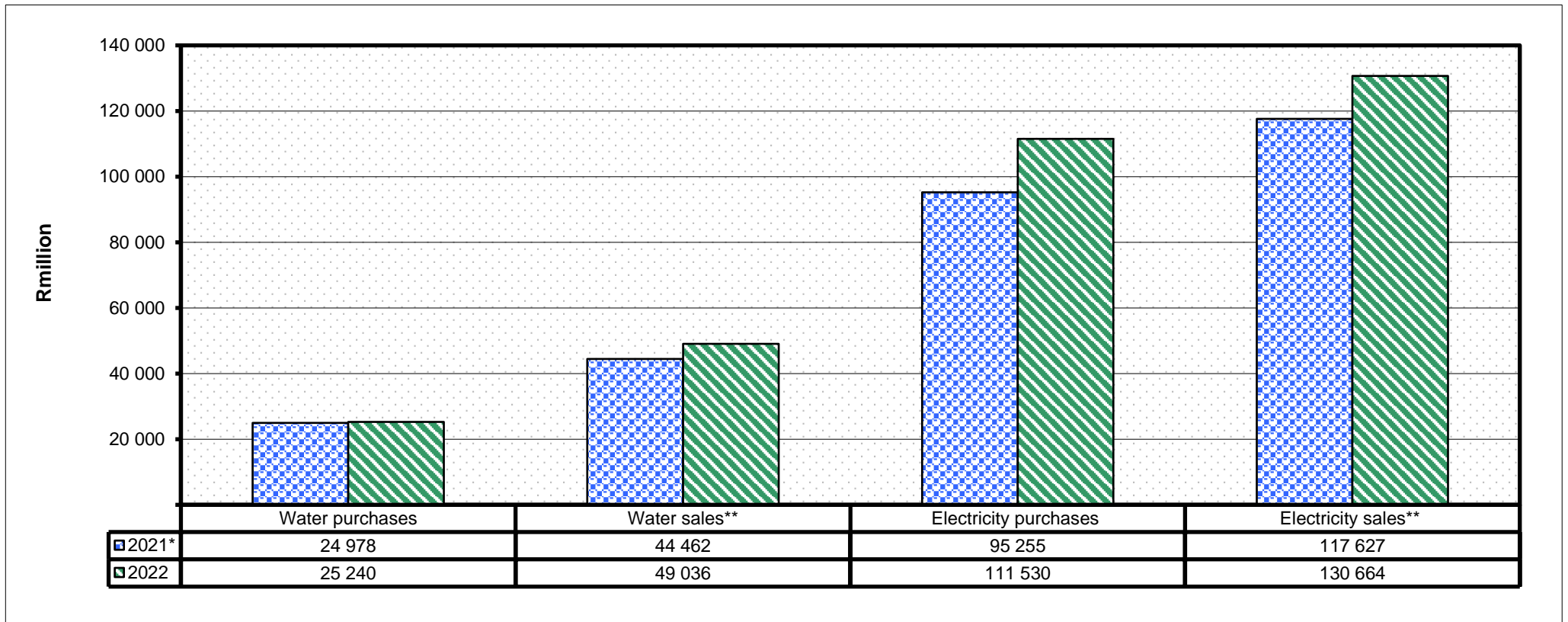


* Some figures have been revised.

As at 30 June 2022, municipalities owed their lenders, suppliers and other creditors a combined amount of R328 756 million, 7,7% more than what they owed as at 30 June 2021. The provinces which showed the highest percentage increases between 2021 and 2022 were Mpumalanga (19,8%), Northern Cape (19,4%), Free State (12,6%), North West (12,4%) and Eastern Cape (7,4%).

The provinces which had the lowest percentage increases between 2021 and 2022 were Western Cape (2,3%), Limpopo (4,1%), KwaZulu-Natal (4,8%) and Gauteng (5,4%). 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 2021 and 30 June 2022



* Some figures have been revised.

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

Purchases of water increased from R24 978 million in 2021 to R25 240 million in 2022 (1,0%), and sales of water increased from R44 462 million to R49 036 million (10,3%) over the same period. Purchases of electricity increased from R95 255 million in 2021 to R111 530 million in 2022 (17,1%), and over the same period sales of electricity increased from R117 627 million to R130 664 million (11,1%).

Risenga Maluleke
Statistician-General

Part 1 – Consolidated statement of financial position of municipalities as at 30 June 2021 and 30 June 2022

Net assets and liabilities	2021*(a)	2022(b)	Difference ¹
	R'000	R'000	R'000
Net assets			
Accumulated surplus/(deficit)	599 302 986	599 172 027	-130 959
Non-controlling interest	329 417	350 468	21 051
Reserves and funds			
Capital replacement reserve	5 326 934	5 418 495	91 561
Capitalisation reserve	163 215	163 277	62
Compensation for occupational injuries and diseases	214 868	248 034	33 166
Employee benefit reserve	34 125	34 169	44
Housing development fund	775 152	657 128	-118 024
Investment in associate account	0	0	0
Non-current provisions reserve	0	0	0
Revaluation reserve	30 186 885	33 629 918	3 443 033
Self-insurance reserve	737 486	795 418	57 932
Valuation reserve	470	469	-1
Other reserves and funds	12 144 572	12 657 719	513 147
Non-current liabilities			
Deferred tax liabilities	4 770 196	4 857 286	87 090
Operating lease liability	19 932	22 615	2 683
Non-current borrowings			
Marketable bonds	16 707 349	14 808 804	-1 898 545
Annuity, bullet and concessionary loans			
Banks	13 227 835	12 683 057	-544 778
Development Bank of Southern Africa (DBSA)	29 801 042	28 577 322	-1 223 720
Other sources	7 667 625	6 926 767	-740 858
Finance lease liability	1 412 608	1 363 344	-49 264
Non-current employee benefit obligation	23 765 510	24 082 314	316 804
Non-current provisions	21 246 894	23 343 447	2 096 553
Other non-current liabilities	5 248 733	5 547 752	299 019
Current liabilities			
Bank overdraft	47 272	118 685	71 413
Consumer deposits	7 483 334	7 703 424	220 090
Current borrowings			
Marketable bonds	0	2 360 205	2 360 205
Current portion of annuity, bullet and concessionary loans			
Banks	1 496 978	2 064 247	567 269
Development Bank of Southern Africa (DBSA)	2 656 534	3 353 348	696 814
Other sources	1 443 521	2 368 106	924 585
Current portion of finance lease liability	538 105	345 997	-192 108
Current employee benefit obligation	3 615 046	3 553 945	-61 101
Current provisions	7 143 277	6 832 801	-310 476

¹ Difference (b-a).

* Some figures have been revised.

**Part 1 – Consolidated statement of financial position of municipalities as at 30 June 2021 and 30 June 2022
(continued)**

Net assets and liabilities	2021*(a)	2022(b)	Difference ¹
	R'000	R'000	R'000
Trade and other payables from exchange transactions			
Advance payments	7 257 622	7 556 527	298 905
Retentions	6 651 677	7 149 601	497 924
Trade payables	79 808 514	93 651 023	13 842 509
Other payables from exchange transactions	51 021 644	55 539 013	4 517 369
Trade and other payables from non-exchange transactions			
Transfers and subsidies payable	444 390	421 673	-22 717
Transfers and subsidies unspent	6 739 600	8 405 203	1 665 603
Other payables from non-exchange transactions	0	748 451	748 451
VAT ² payable	3 173 486	3 480 557	307 071
Other current liabilities ³	1 997 754	890 186	-1 107 568
Total net assets and liabilities	954 602 588	981 882 822	27 280 234

¹ Difference (b-a).

² VAT – Value-added tax.

³ Includes 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 2021 and 30 June 2022 (concluded)

Assets	2021*(a)	2022(b)	Difference ¹
	R'000	R'000	R'000
Non-current assets			
Property, plant and equipment	732 473 665	751 807 393	19 333 728
Heritage assets	5 734 105	5 704 665	-29 440
Investment property	32 593 748	32 998 211	404 463
Intangible assets	5 682 645	5 609 825	-72 820
Biological assets	392 472	422 007	29 535
Investments			
Deposit taking institutions (Financial institutions)	196 906	260 293	63 387
Listed/unlisted bonds and stocks	37 479	37 529	50
Interest rate swaps	15 169	142 276	127 107
National government securities	0	0	0
Other investments	9 241 312	8 026 239	-1 215 073
Investments in associates and joint ventures	1 473 327	1 600 184	126 857
Deferred tax assets	4 007 657	4 448 345	440 688
Non-current receivables			
Housing selling schemes	35 511	28 030	-7 481
Bursary obligations	25 416	26 647	1 231
Operating lease	5 559	11 277	5 718
Consumer receivables	134 494	154 490	19 996
Other receivables	339 133	239 748	-99 385
Other non-current assets	297 507	300 016	2 509
Current assets			
Cash and cash equivalents			
Cash at bank	18 784 947	18 260 756	-524 191
Call deposits and investments	41 326 820	41 075 499	-251 321
Cash on hand	92 125	232 795	140 670
Current portion of non-current receivables	333 524	344 965	11 441
Operating lease receivables	29 143	39 181	10 038
Inventory	8 676 903	10 151 515	1 474 612
Receivables from exchange transactions			
Electricity	17 614 145	17 718 720	104 575
Waste management	4 873 110	5 284 948	411 838
Waste water management	4 455 837	5 052 877	597 040
Water	16 183 260	19 362 286	3 179 026
Property rental receivables	302 935	333 248	30 313
Prepayments and advances	855 420	799 304	-56 116
Other receivables from exchange transactions	13 186 636	13 492 995	306 359
Receivables from non-exchange transactions			
Property rates	18 995 614	19 954 216	958 602
Fines	2 125 313	2 083 299	-42 014
Other receivables from non-exchange transactions	3 712 169	3 511 914	-200 255
VAT receivable	7 801 427	8 959 305	1 157 878
Deposits (fuel, ESKOM, etc.)	120 336	127 136	6 800
Other current assets ²	2 446 819	3 280 688	833 869
Total assets	954 602 588	981 882 822	27 280 234

¹ Difference (b-a).

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

* Some figures have been revised.

Part 2 – Consolidated analysis statement of property, plant and equipment, investment property, intangibles assets and biological (cultivated) assets as at 30 June 2022

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 (disposed assets during the year)	Carrying value (end of the year)
Land and buildings	85 849 084	2 693 834	129 808	710 807	2 124 718	245 770	16 471	87 029 516
Land	41 963 249	312 646	283	-59 024	0	172 789	0	42 044 365
Buildings	43 885 835	2 381 188	129 525	769 831	2 124 718	72 981	16 471	44 985 151
Infrastructure assets	532 865 307	34 977 586	7 934 909	2 323 633	25 868 296	1 390 257	300 369	551 143 251
Drains	9 503 131	237 836	4 730	49 237	520 734	1 589	287	9 272 898
Roads	77 934 339	2 717 507	385 646	1 520 798	5 056 176	230 253	187 222	77 459 083
Beach empowerments (development)	219 603	2 469	0	0	14 420	0	0	207 652
Sewerage mains and purifications	35 862 693	1 308 241	247 375	798 044	1 243 718	62 521	33 798	36 943 912
Electricity generation	952 029	43 477	38 171	0	35 068	619	543	998 533
Electricity mains	34 301 489	946 561	614 895	483 518	1 791 830	184 674	22 636	34 392 595
Electricity peak loads equipment	8 156 376	578 415	0	211 033	269 377	0	0	8 676 447
Water purification	8 570 245	658 119	217 324	209 719	612 411	324 860	357	8 718 493
Reservoirs - water	2 689 923	55 792	17 930	28 542	90 350	906	386	2 701 317
Water metres	1 583 450	35 250	0	-61 673	61 798	1 645	28	1 493 612
Water mains	49 405 489	3 021 395	638 333	705 270	1 695 097	90 867	14 485	51 999 008
Other	303 686 540	25 372 524	5 770 505	-1 620 855	14 477 317	492 323	40 627	318 279 701
Community assets	51 470 703	2 563 709	478 880	419 783	2 870 822	188 343	25 622	51 899 532
Parks and gardens	304 948	2 872	3 004	3 748	13 814	55	19	300 722
Libraries	578 668	26 165	4 646	2 288	46 474	5 294	0	559 999
Recreation facilities	3 450 295	86 931	3 092	85 182	204 063	5 088	3 865	3 420 214
Civic buildings	3 717 162	129 912	3 407	222 234	162 372	653	218	3 909 908
Other	43 419 630	2 317 829	464 731	106 331	2 444 099	177 253	21 520	43 708 689

Part 2 – Consolidated analysis statement of property, plant and equipment, investment property, intangibles assets and biological (cultivated) assets as at 30 June 2022 (concluded)

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 (disposed assets during the year)	Carrying value (end of the year)
Housing	2 203 409	34 937	0	5 735	114 430	4 779	4 118	2 128 990
Housing rental stock	2 203 409	34 937	0	5 735	114 430	4 779	4 118	2 128 990
Other	0	0	0	0	0	0	0	0
Leased assets	753 660	167 137	0	0	309 743	21 586	14 991	604 459
Other assets	57 415 729	6 576 721	1 663 755	50 136	6 372 166	845 595	513 065	59 001 645
Landfill sites	2 617 345	241 899	3 221	139 442	388 274	7 896	19	2 605 756
Office equipment	1 340 689	202 906	0	0	262 415	22 608	3 505	1 262 077
Furniture and fittings	1 424 389	318 352	25	5 664	345 710	46 145	35 639	1 392 214
Bins and containers	88 426	14 729	0	294	16 622	1 292	1 242	86 777
Emergency equipment	98 935	4 522	0	70	18 078	1 662	713	84 500
Motor vehicles	7 485 831	1 417 038	4 973	0	1 352 702	269 473	158 200	7 443 867
Fire engines	12 472	2 050	0	0	1 458	24	121	13 161
Refuse tankers	11 756	4 419	0	0	691	0	0	15 484
Computer equipment	1 734 404	562 935	83	1 090	523 852	272 929	255 819	1 757 550
Councillors' regalia	0	0	0	0	0	0	0	0
Conservancy tankers	0	0	0	0	0	0	0	0
Water crafts	0	0	0	0	0	0	0	0
Plant and other equipment	19 810 786	1 519 313	15 332	27 776	1 256 390	46 361	22 004	20 092 460
Other	22 790 696	2 288 558	1 640 121	-124 200	2 205 974	177 205	35 803	24 247 799
Total PPE	730 557 892	47 013 924	10 207 352	3 510 094	37 660 175	2 696 330	874 636	751 807 393
Heritage assets	5 728 130	12 283	0	-35 302	72	374	0	5 704 665
Investment property	33 346 125	104 304	0	1 880	395 172	70 894	11 968	32 998 211
Intangible assets	5 718 544	730 293	53 436	53 566	916 368	76 638	46 992	5 609 825
Biological (cultivated) assets	411 987	12 237	0	1 347	1 943	1 621	0	422 007
Total	775 762 678	47 873 041	10 260 788	3 531 585	38 973 730	2 845 857	933 596	796 542 101

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2021 and 30 June 2022: Expenditure

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2021*	2022	2021*	2022	2021*(a)	2022(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	
Employee related costs	82 800 213	82 605 450	43 751 431	45 163 762	126 551 644	127 769 212	1 217 568
Remuneration of councillors	4 357 783	4 387 279	0	0	4 357 783	4 387 279	29 496
Finance costs	8 496 033	10 932 855	2 667 329	3 019 146	11 163 362	13 952 001	2 788 639
Loss on disposal of assets	895 274	988 471	241 397	284 185	1 136 671	1 272 656	135 985
Debt impairment	20 729 935	21 049 820	19 672 067	23 066 536	40 402 002	44 116 356	3 714 354
Contracted services							
Consultants and professional services	4 421 183	4 471 129	1 764 782	2 190 036	6 185 965	6 661 165	475 200
Contractors	5 157 601	5 620 566	10 453 005	11 446 431	15 610 606	17 066 997	1 456 391
Outsourced services	7 138 869	7 335 736	7 605 354	8 394 413	14 744 223	15 730 149	985 926
Operating leases							
Buildings and infrastructure	1 525 296	690 593	264 130	736 183	1 789 426	1 426 776	-362 650
Computer, furniture and office equipment	123 292	120 983	14 351	12 424	137 643	133 407	-4 236
Transport assets, machinery and equipment	355 183	321 626	64 882	92 974	420 065	414 600	-5 465
Other	612 985	552 178	211 809	195 374	824 794	747 552	-77 242
Inventory consumed	3 977 526	3 428 071	4 175 696	5 771 260	8 153 222	9 199 331	1 046 109
Depreciation, amortisation and impairment	16 078 691	14 824 404	22 158 604	24 149 326	38 237 295	38 973 730	736 435
Bulk purchases							
Purchases of water	0	0	24 977 814	25 239 931	24 977 814	25 239 931	262 117
Purchases of electricity	0	0	95 254 845	111 529 649	95 254 845	111 529 649	16 274 804
Other bulk purchases	0	0	34 105	108 867	34 105	108 867	74 762
Transfers and subsidies							
Other local government institutions	257 968	222 138	337	3 258	258 305	225 396	-32 909
Tertiary institutions of higher learning	0	0	0	0	0	0	0
Households	641 607	612 090	177 796	86 798	819 403	698 888	-120 515
Non-profit institutions	355 547	359 966	6 608	23 868	362 155	383 834	21 679
Other	1 813 042	1 688 138	871 531	850 192	2 684 573	2 538 330	-146 243

¹ Difference (b-a).

* Some figures have been revised.

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2021 and 30 June 2022: Expenditure (concluded)

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2021*	2022	2021*	2022	2021*(a)	2022(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs							
Advertising, publicity and marketing	498 372	601 267	124 079	95 819	622 451	697 086	74 635
Bank charges, facility and card fees	503 332	584 641	19 686	25 022	523 018	609 663	86 645
Communication	1 158 492	1 087 986	142 689	175 769	1 301 181	1 263 755	-37 426
Courier and delivery services	197 727	163 895	1 593	859	199 320	164 754	-34 566
Entertainment	25 496	30 952	12 642	1 072	38 138	32 024	-6 114
External audit fees	1 202 663	1 562 038	118 111	97 953	1 320 774	1 659 991	339 217
Hire charges	541 254	715 331	690 410	708 272	1 231 664	1 423 603	191 939
Insurance underwriting	1 416 941	1 332 283	106 664	281 809	1 523 605	1 614 092	90 487
Printing, publications and books	404 631	354 185	42 764	49 559	447 395	403 744	-43 651
Professional bodies, membership and subscription	718 256	713 536	20 319	17 084	738 575	730 620	-7 955
Transport	88 969	95 207	10 331	1 144	99 300	96 351	-2 949
Travel and subsistence	523 810	768 259	96 386	124 891	620 196	893 150	272 954
Wet fuel	1 299 209	1 635 774	427 172	742 533	1 726 381	2 378 307	651 926
Other operational costs	14 745 540	15 828 583	15 697 476	18 196 465	30 443 016	34 025 048	3 582 032
Other expenditure	2 108 239	2 186 551	703 284	1 314 226	2 811 523	3 500 777	689 254
Taxation	539	51 222	0	0	539	51 222	50 683
Surplus	70 618 951	66 888 301	40 327 730	41 290 907	110 946 681	108 179 208	-2 767 473
Total expenditure	255 790 449	254 811 504	292 909 209	325 487 997	548 699 658	580 299 501	31 599 843

¹ Difference (b-a).

* Some figures have been revised.

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2021 and 30 June 2022: Revenue

Revenue	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2021*	2022	2021*	2022	2021*(a)	2022(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from							
Residential	33 178 865	36 177 618	0	0	33 178 865	36 177 618	2 998 753
Commercial or business	25 446 632	26 622 420	0	0	25 446 632	26 622 420	1 175 788
State	3 943 680	3 702 794	0	0	3 943 680	3 702 794	-240 886
Other (includes agricultural, municipal etc.)	12 286 422	13 315 312	0	0	12 286 422	13 315 312	1 028 890
Property rates - penalties imposed and collection charges	387 150	551 301	0	0	387 150	551 301	164 151
Interest on							
Investments	3 316 511	3 374 263	67 920	81 490	3 384 431	3 455 753	71 322
Receivables	4 129 237	4 668 248	3 372 039	4 772 068	7 501 276	9 440 316	1 939 040
Dividends	848	22 487	60	60	908	22 547	21 639
Fines, penalties and forfeits	6 091 158	4 850 158	179 022	409 918	6 270 180	5 260 076	-1 010 104
Licences and permits	300 366	319 549	294 806	336 993	595 172	656 542	61 370
Agency services	902 923	946 023	1 181 213	1 097 387	2 084 136	2 043 410	-40 726
Rental	1 165 556	1 492 489	1 148 196	1 127 858	2 313 752	2 620 347	306 595
Sales of goods and rendering of services	1 415 297	1 598 830	763 092	845 819	2 178 389	2 444 649	266 260
Gains on the disposal of assets	145 505	247 763	8 775	62 206	154 280	309 969	155 689
Service charges							
Sales of water	0	0	44 462 143	49 035 982	44 462 143	49 035 982	4 573 839
Sales of electricity	0	0	117 626 741	130 663 984	117 626 741	130 663 984	13 037 243
Refuse removal charges	0	0	12 170 815	13 319 812	12 170 815	13 319 812	1 148 997
Sewerage and sanitation charges	0	0	17 963 944	19 875 158	17 963 944	19 875 158	1 911 214
Other service charges (e.g. fresh produce market, etc.)	0	0	1 093 701	1 254 263	1 093 701	1 254 263	160 562
Government transfers and subsidies							
Capital	17 191 323	13 059 451	19 011 099	23 929 956	36 202 422	36 989 407	786 985
Operational	73 308 045	70 171 790	29 120 579	25 662 319	102 428 624	95 834 109	-6 594 515
Other transfers and subsidies (incl. contributions and donations)	2 809 006	1 443 322	608 937	594 394	3 417 943	2 037 716	-1 380 227
Operational revenue	13 462 167	13 338 390	4 421 746	4 459 596	17 883 913	17 797 986	-85 927
Deficit	56 309 758	58 909 296	39 414 381	47 958 734	95 724 139	106 868 030	11 143 891
Total revenue	255 790 449	254 811 504	292 909 209	325 487 997	548 699 658	580 299 501	31 599 843

¹ Difference (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 2021 and 30 June 2022: Expenditure

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	39 461 702	37 990 690	5 507 214	5 170 206	5 867 178	6 089 936	7 046 218	7 392 966	6 684 388	6 922 488
Remuneration of councillors	4 357 783	4 387 279	0	0	0	0	0	0	0	0
Finance costs	8 332 071	10 676 217	1 174	100	20 447	9 184	20 656	9 063	113 318	232 054
Loss on disposal of assets	713 839	809 486	232	586	3 661	66 991	14 595	2 465	162 544	78 841
Debt impairment	16 571 711	17 112 352	184 159	6 304	18 847	13 937	36 683	63 912	59 929	172 096
Contracted services										
Consultants and professional services	3 537 786	3 548 259	77 900	86 296	44 912	58 437	63 205	40 625	544 062	574 632
Contractors	3 358 398	3 908 543	121 308	105 532	376 071	388 607	456 243	378 253	408 006	477 164
Outsourced services	5 010 657	4 516 843	100 138	139 926	600 633	700 283	566 002	570 573	412 493	520 871
Operating leases										
Buildings and infrastructure	1 493 981	598 422	451	12 042	280	3 916	23 339	33 927	6 650	18 352
Computer, furniture and office equipment	102 873	102 423	1 302	1 141	2 774	1 613	7 314	6 975	5 695	5 954
Transport assets, machinery and equipment	321 754	304 577	53	64	4 554	1 717	6 177	3 431	4 788	974
Other	579 296	524 718	1 839	865	1 990	1 006	8 658	3 346	8 962	9 929
Inventory consumed	3 042 723	2 452 093	425 472	365 045	92 027	149 683	118 720	177 255	90 899	67 709
Depreciation, amortisation and impairment	12 081 349	10 810 170	146 060	146 066	1 465 315	1 552 759	847 754	793 035	1 023 064	997 820
Transfers and subsidies										
Other local government institutions	64 071	66 744	9 731	120	0	0	20 759	10 869	157 908	139 205
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0	0	0
Households	527 227	496 340	1 152	458	0	0	32 426	36 047	68 094	71 828
Non-profit institutions	307 920	319 702	0	0	413	753	3 470	2 743	43 394	35 463
Other	1 473 534	1 138 479	4 474	29 472	18 609	59 038	39 367	33 733	266 056	424 060

* 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 2021 and 30 June 2022: Expenditure (continued)

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Advertising, publicity and marketing	381 807	487 738	1 304	1 004	23 337	20 850	29 597	32 247	59 460	55 850
Bank charges, facility and card fees	498 656	563 844	11	26	371	726	2 131	1 283	1 552	2 143
Communication	1 079 243	996 991	8 469	8 965	12 807	17 447	16 871	20 971	15 409	21 579
Courier and delivery services	186 811	152 795	25	16	58	35	2 643	1 195	414	271
Entertainment	23 965	29 782	9	54	336	62	440	277	292	662
External audit fees	1 143 312	1 532 000	415	0	6 189	4 259	12 310	3 360	25 180	16 504
Hire charges	439 289	594 476	5 647	1 599	18 989	15 444	49 065	53 575	21 953	41 948
Insurance underwriting	1 383 501	1 295 744	633	1 294	8 254	10 089	8 057	5 127	6 317	8 473
Printing, publications and books	258 514	230 670	9 990	10 216	4 167	5 452	11 886	15 998	10 071	17 307
Professional bodies, membership and subscription	700 285	687 746	1 006	1 291	783	728	7 584	3 932	6 293	15 350
Transport	81 208	88 266	947	125	722	504	1 743	2 420	4 137	3 644
Travel and subsistence	456 804	650 902	11 169	14 642	3 433	4 757	13 354	23 761	27 993	54 303
Wet fuel	1 176 321	1 380 793	3 018	8 829	33 782	78 013	17 031	24 475	8 982	8 078
Other operational costs	10 160 574	10 938 996	184 648	135 883	1 084 746	1 052 194	708 315	788 005	1 107 995	1 478 557
Other expenditure	1 937 807	2 036 550	2 229	1 500	33 549	28 141	23 077	22 574	32 795	6 873
Taxation	539	51 222	0	0	0	0	0	0	0	0
Surplus	63 948 413	61 684 926	70 252	14 036	56 841	71 047	830 706	328 689	4 819 182	4 173 927
Total expenditure	185 195 724	183 166 778	6 882 431	6 263 703	9 806 075	10 407 608	11 046 396	10 887 107	16 208 275	16 654 909

* 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 2021 and 30 June 2022: Expenditure (continued)

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	10 724 363	11 345 856	4 694 314	4 904 738	2 612 905	2 535 855	201 931	252 715
Remuneration of councillors	0	0	0	0	0	0	0	0
Finance costs	3 703	1 868	4 386	4 114	196	238	82	17
Loss on disposal of assets	96	604	285	28 800	22	698	0	0
Debt impairment	3 759 512	3 564 727	69 861	89 203	12 745	27 289	16 488	0
Contracted services								
Consultants and professional services	74 375	154 506	12 997	5 186	65 946	3 188	0	0
Contractors	269 060	190 199	69 363	74 624	99 152	84 034	0	13 610
Outsourced services	275 241	712 805	44 723	55 846	128 721	108 797	261	9 792
Operating leases								
Buildings and infrastructure	434	409	161	23 525	0	0	0	0
Computer, furniture and office equipment	2 756	2 180	262	369	316	328	0	0
Transport assets, machinery and equipment	13 503	2 267	4 354	8 001	0	0	0	595
Other	1 623	1 273	301	1 004	10 316	10 037	0	0
Inventory consumed	58 195	84 857	32 358	43 818	114 463	86 205	2 669	1 406
Depreciation, amortisation and impairment	254 769	188 555	117 041	154 043	134 861	170 673	8 478	11 283
Transfers and subsidies								
Other local government institutions	0	0	5 499	5 200	0	0	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households	86	7	4 753	3 745	7 869	3 665	0	0
Non-profit institutions	0	0	250	250	100	1 055	0	0
Other	0	1 515	1 496	605	1 880	1 236	7 626	0

* 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 2021 and 30 June 2022: Expenditure (concluded)

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs								
Advertising, publicity and marketing	885	1 547	924	775	943	853	115	403
Bank charges, facility and card fees	325	16 468	128	42	158	109	0	0
Communication	10 371	9 173	10 852	8 900	3 204	3 630	1 266	330
Courier and delivery services	7 645	9 581	98	0	33	2	0	0
Entertainment	405	95	23	17	26	3	0	0
External audit fees	9 847	2 789	4 594	2 955	767	171	49	0
Hire charges	2 308	4 843	1 827	1 633	2 176	1 240	0	573
Insurance underwriting	3 354	5 763	4 563	5 274	633	261	1 629	258
Printing, publications and books	94 356	62 202	1 492	1 680	14 088	10 457	67	203
Professional bodies, membership and subscription	809	1 146	1 334	3 228	100	109	62	6
Transport	38	242	60	1	114	5	0	0
Travel and subsistence	5 431	11 628	2 592	4 195	1 397	2 105	1 637	1 966
Wet fuel	37 511	98 503	11 939	20 154	10 400	13 885	225	3 044
Other operational costs	1 182 139	1 064 823	184 199	206 908	131 220	154 068	1 704	9 149
Other expenditure	48 714	54 877	6 597	2 705	22 837	33 121	634	210
Taxation	0	0	0	0	0	0	0	0
Surplus	727 632	542 775	152 992	43 370	12 932	28 581	1	950
Total expenditure	17 569 486	18 138 083	5 446 618	5 704 908	3 390 520	3 281 898	244 924	306 510

* 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 2021 and 30 June 2022: Revenue

Revenue	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from										
Residential	33 178 865	36 177 618	0	0	0	0	0	0	0	0
Commercial or business	25 446 632	26 622 420	0	0	0	0	0	0	0	0
State	3 943 680	3 702 794	0	0	0	0	0	0	0	0
Other (includes agricultural, municipal etc.)	12 286 422	13 315 312	0	0	0	0	0	0	0	0
Property rates - penalties imposed and collection charges	387 150	551 301	0	0	0	0	0	0	0	0
Interest on										
Investments	3 286 660	3 360 214	6 479	0	351	93	4 149	766	18 419	12 969
Receivables	4 050 804	4 656 526	68 039	0	0	0	2 543	3 378	3 728	4 497
Dividends	840	22 478	0	0	0	0	0	0	8	9
Fines, penalties and forfeits	378 701	372 934	128	1 338	3 634	235	15 839	58 027	15 339	20 118
Licences and permits	104 999	108 686	4 938	6 085	17 737	6 181	14 979	6 926	21 923	6 562
Agency services	432 790	445 783	709	0	6 070	0	12 678	2 500	3 257	7 162
Rental	958 143	1 126 817	207	2 710	72 518	177 516	39 757	66 073	80 781	102 696
Sales of goods and rendering of services	852 879	873 554	7 461	8 814	38 640	78 159	123 994	137 641	258 745	368 323
Gains on the disposal of assets	137 583	242 701	38	72	5 673	723	17	3 838	860	125
Government transfers and subsidies										
Capital	12 471 321	7 563 325	98 560	37 569	214 095	292 474	705 415	302 352	3 545 661	4 666 002
Operational	65 062 071	63 090 541	1 195 842	1 341 536	115 756	269 712	1 687 051	1 448 127	4 032 989	2 938 344
Other transfers and subsidies (incl. contributions and donations)	2 678 553	1 326 975	3 420	18	18 871	37 649	43 421	8 566	57 909	61 164
Operational revenue	11 772 123	11 680 308	10 439	5 665	22 554	65 253	75 840	60 746	810 945	854 710
Deficit	7 765 508	7 926 491	5 486 171	4 859 896	9 290 176	9 479 613	8 320 713	8 788 167	7 357 711	7 612 228
Total revenue	185 195 724	183 166 778	6 882 431	6 263 703	9 806 075	10 407 608	11 046 396	10 887 107	16 208 275	16 654 909

* 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 2021 and 30 June 2022: Revenue (concluded)

Revenue	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	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	0	0	42	0	411	221	0	0
Receivables	1	1	1 932	1 877	2 190	1 969	0	0
Dividends	0	0	0	0	0	0	0	0
Fines, penalties and forfeits	5 645 919	4 291 301	16 207	51 743	15 391	54 462	0	0
Licences and permits	114 311	143 299	9 822	30 596	11 657	11 214	0	0
Agency services	160 845	192 862	6 039	5 673	280 535	292 043	0	0
Rental	763	393	2 111	816	10 686	15 143	590	325
Sales of goods and rendering of services	18 028	9 597	112 923	116 361	2 410	5 212	217	1 169
Gains on the disposal of assets	1 174	74	28	49	132	181	0	0
Government transfers and subsidies								
Capital	40 689	29 248	63 616	36 039	11 009	43 170	40 957	89 272
Operational	535 017	483 103	358 553	249 016	309 466	342 945	11 300	8 466
Other transfers and subsidies (incl. contributions and donations)	2 407	3 341	774	1 430	3 557	4 179	94	0
Operational revenue	721 205	633 059	46 516	35 482	2 063	3 167	482	0
Deficit	10 329 127	12 351 805	4 828 055	5 175 826	2 741 013	2 507 992	191 284	207 278
Total revenue	17 569 486	18 138 083	5 446 618	5 704 908	3 390 520	3 281 898	244 924	306 510

* 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 2021 and 30 June 2022: Expenditure

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	1 949 499	1 883 391	1 069 321	1 059 150	8 038 838	8 317 714	4 353 267	4 470 585
Finance costs	57 962	11 362	585	561	471 880	495 853	361 732	383 067
Loss on disposal of assets	1 931	21 185	7 089	94	4 857	1 368	4 833	10 070
Debt impairment	927 734	856 156	58 184	24 029	1 654 666	3 315 762	1 684 544	2 000 220
Contracted services								
Consultants and professional services	240 436	160 571	24 152	31 698	62 781	89 402	127 721	90 474
Contractors	1 302 346	1 176 847	33 861	39 413	675 550	777 575	1 443 322	1 502 214
Outsourced services	206 425	297 711	110 373	156 287	1 515 322	1 745 211	1 199 035	1 337 743
Operating leases								
Buildings and infrastructure	46 096	65 374	351	824	5 006	17 194	2	1
Computer, furniture and office equipment	6 415	1 297	107	107	985	918	737	810
Transport assets, machinery and equipment	77	113	288	87	27 464	32 972	2 984	6 230
Other	22 160	24 971	372	509	61 957	94 134	44 877	46 288
Inventory consumed	117 267	78 398	13 484	14 559	337 191	407 145	213 916	293 801
Depreciation, amortisation and impairment	1 134 881	1 174 303	131 445	63 486	892 666	995 836	2 315 637	2 545 840
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	34 105	108 867
Transfers and subsidies								
Other local government institutions	0	0	337	3 258	0	0	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households	2 204	1 915	23 480	0	4 848	4 916	0	13 627
Non-profit institutions	0	1 288	552	514	292	0	0	0
Other	18 551	17 411	11 692	381	1 521	4 400	751	50

* 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 2021 and 30 June 2022: Expenditure (continued)

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs								
Advertising, publicity and marketing	2 212	2 040	1 975	781	2 702	3 183	3 757	2 427
Bank charges, facility and card fees	605	176	56	0	120	70	596	357
Communication	6 122	6 255	1 332	946	4 439	5 608	8 539	9 146
Courier and delivery services	616	304	1	1	36	1	22	21
Entertainment	137	16	4	1	1 435	228	346	97
External audit fees	9 912	5 568	1 285	1 005	14 211	10 906	6 783	6 696
Hire charges	4 402	7 189	1 284	1 194	243 135	207 382	26 859	31 455
Insurance underwriting	14 375	17 047	4 327	158	4 882	4 915	12 580	15 045
Printing, publications and books	3 624	2 927	2 145	2 451	1 779	2 349	1 990	2 785
Professional bodies, membership and subscription	1 311	1 212	324	457	4 305	300	1 303	1 125
Transport	34	0	0	147	464	210	281	20
Travel and subsistence	1 226	2 071	2 488	2 040	5 780	9 732	3 675	5 170
Wet fuel	6 879	3 587	1 431	2 906	53 999	95 433	26 830	40 703
Other operational costs	1 398 676	1 124 359	115 946	81 898	2 842 381	2 790 928	1 070 508	1 272 422
Other expenditure	6 768	710 808	776	1 046	40 019	24 957	84 276	55 466
Taxation	0	0	0	0	0	0	0	0
Surplus	1 448 095	771 336	5 874	9 143	4 198 592	4 009 415	11 986 845	14 381 427
Total expenditure	8 938 978	8 427 188	1 624 921	1 499 131	21 174 103	23 466 017	25 022 653	28 634 249

* 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 2021 and 30 June 2022: Expenditure (continued)

Expenditure	Road transport		Water		Electricity		Other trading services	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	7 376 440	7 819 993	10 534 240	10 622 048	9 235 144	9 686 019	1 194 682	1 304 862
Finance costs	413 537	363 611	616 596	661 749	730 422	1 099 839	14 615	3 104
Loss on disposal of assets	45 393	80 757	81 665	89 533	93 047	76 165	2 582	5 013
Debt impairment	135 341	215 429	10 200 167	11 879 174	4 930 137	4 516 142	81 294	259 624
Contracted services								
Consultants and professional services	327 694	555 461	649 484	789 568	274 302	413 015	58 212	59 847
Contractors	2 918 102	3 359 288	2 593 833	2 436 359	1 414 395	1 768 149	71 596	386 586
Outsourced services	1 328 446	1 771 715	1 474 196	1 468 266	1 028 366	1 157 480	743 191	460 000
Operating leases								
Buildings and infrastructure	187 820	66 421	8 186	205 511	9 899	370 888	6 770	9 970
Computer, furniture and office equipment	1 205	2 031	1 622	973	2 539	5 078	741	1 210
Transport assets, machinery and equipment	16 016	29 308	7 983	10 364	9 250	12 884	820	1 016
Other	13 534	8 129	49 236	10 217	11 197	10 998	8 476	128
Inventory consumed	389 068	598 099	2 375 289	3 207 405	715 004	1 154 294	14 477	17 559
Depreciation, amortisation and impairment	8 053 534	9 493 815	5 284 511	5 399 539	4 040 529	4 320 659	305 401	155 848
Bulk purchases								
Purchases of water	0	0	24 977 814	25 239 931	0	0	0	0
Purchases of electricity	0	0	0	0	95 254 845	111 529 649	0	0
Other bulk purchases	0	0	0	0	0	0	0	0
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	8 133	4 148	112 419	36 692	25 934	24 935	778	565
Non-profit institutions	0	18 084	0	0	0	0	5 764	3 982
Other	100 751	125 418	624 583	609 474	36 802	20 638	76 880	72 420

* 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 2021 and 30 June 2022: Expenditure (concluded)

Expenditure	Road transport		Water		Electricity		Other trading services	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs								
Advertising, publicity and marketing	8 083	6 555	13 632	2 363	4 573	8 053	87 145	70 417
Bank charges, facility and card fees	3 871	5 959	549	248	2 827	3 830	11 062	14 382
Communication	26 885	38 617	32 974	45 511	57 974	65 976	4 424	3 710
Courier and delivery services	234	46	118	28	534	453	32	5
Entertainment	727	361	270	252	9 698	62	25	55
External audit fees	24 663	21 414	23 619	22 708	31 118	24 382	6 520	5 274
Hire charges	53 327	112 285	303 385	323 858	19 721	19 237	38 297	5 672
Insurance underwriting	34 931	77 244	8 294	49 473	25 890	112 939	1 385	4 988
Printing, publications and books	12 672	21 686	5 322	3 722	7 309	7 349	7 923	6 290
Professional bodies, membership and subscription	2 719	7 871	1 947	2 372	4 398	3 434	4 012	313
Transport	37	39	9 412	123	69	477	34	128
Travel and subsistence	20 466	31 690	41 502	49 292	11 909	16 333	9 340	8 563
Wet fuel	129 968	253 539	148 859	256 681	53 225	77 521	5 981	12 163
Other operational costs	2 939 515	3 371 843	2 770 144	5 234 700	4 244 207	3 702 121	316 099	618 194
Other expenditure	48 045	36 144	340 272	385 499	182 619	97 777	509	2 529
Taxation	0	0	0	0	0	0	0	0
Surplus	1 533 628	1 214 390	11 142 701	12 187 937	8 551 939	7 400 614	1 460 056	1 316 645
Total expenditure	26 154 785	29 711 390	74 434 824	81 231 570	131 019 822	147 707 390	4 539 123	4 811 062

* 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 2021 and 30 June 2022: Revenue

Revenue	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Interest on								
Investments	3 405	5 228	0	0	7 607	2 148	4 454	6 682
Receivables	68 540	77 200	28 447	30 238	470 071	637 661	403 086	569 314
Dividends	0	0	0	0	0	0	60	60
Fines, penalties and forfeits	4 357	0	2 314	182	2 160	3 182	1 576	447
Licences and permits	37	115	17 478	9 593	66	1 410	0	1
Agency services	7 278	0	3 630	0	3 656	3 952	0	0
Rental	799 175	769 508	1 686	1 849	8 583	8 118	3 218	3 844
Sales of goods and rendering of services	1 337	20 659	7 118	8 548	18 520	18 336	17 294	18 014
Gains on the disposal of assets	1 940	57 661	24	188	219	2 053	1	17
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	12 170 815	13 319 812	0	0
Sewerage and sanitation charges	0	0	0	0	0	0	17 963 944	19 875 158
Other service charges (e.g. fresh produce market, etc.)	0	0	0	0	0	0	0	0
Government transfers and subsidies								
Capital	1 982 743	3 350 321	15 983	47 251	526 752	300 485	1 631 184	1 933 733
Operational	4 049 311	1 379 455	107 596	88 945	3 453 217	3 671 290	3 357 605	4 598 981
Other transfers and subsidies (incl. contributions and donations)	0	0	3 330	0	50 192	0	4 839	18 961
Operational revenue	430 897	863 874	51 235	21 503	947 383	483 901	264 139	393 697
Deficit	1 589 958	1 903 167	1 386 080	1 290 834	3 514 862	5 013 669	1 371 253	1 215 340
Total revenue	8 938 978	8 427 188	1 624 921	1 499 131	21 174 103	23 466 017	25 022 653	28 634 249

* 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 2021 and 30 June 2022: Revenue (concluded)

Revenue	Road transport		Water		Electricity		Other trading services	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Interest on								
Investments	20 910	29 805	3 170	1 330	16 639	25 264	11 735	11 033
Receivables	44	7 906	1 902 316	2 559 762	497 547	888 087	1 988	1 900
Dividends	0	0	0	0	0	0	0	0
Fines, penalties and forfeits	112 943	139 100	7 398	189 604	47 103	77 142	1 171	261
Licences and permits	202 093	243 652	0	4 053	52	2 067	75 080	76 102
Agency services	378 915	310 935	960	2 011	5 747	5 942	781 027	774 547
Rental	145 216	130 544	14 085	18 232	10 695	13 007	165 538	182 756
Sales of goods and rendering of services	167 543	234 549	51 256	27 792	52 709	58 791	447 315	459 130
Gains on the disposal of assets	384	245	4 473	585	1 734	1 447	0	10
Service charges								
Sales of water	0	0	44 462 143	49 035 982	0	0	0	0
Sales of electricity	0	0	0	0	117 626 741	130 663 984	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	1 093 701	1 254 263
Government transfers and subsidies								
Capital	4 952 787	6 059 267	7 878 320	9 188 390	1 976 797	2 994 904	46 533	55 605
Operational	4 646 311	3 257 862	9 551 749	9 254 818	3 469 485	3 374 122	485 305	36 846
Other transfers and subsidies (incl. contributions and donations)	102 472	103 910	238 968	259 790	209 136	211 733	0	0
Operational revenue	605 432	952 013	969 172	565 215	930 532	696 417	222 956	482 976
Deficit	14 819 735	18 241 602	9 350 814	10 124 006	6 174 905	8 694 483	1 206 774	1 475 633
Total revenue	26 154 785	29 711 390	74 434 824	81 231 570	131 019 822	147 707 390	4 539 123	4 811 062

* 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 5 – Municipal revenue streams per province for the years ended 30 June 2021 and 30 June 2022 – R million

Province	Government transfers and subsidies		Interest received		Other revenue		Other transfers and subsidies		Property rates		Refuse removal charges		Electricity sales		Water sales		Sewerage and sanitation charges		Total operational revenue	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022
Eastern Cape	19 030	17 458	1 309	1 690	2 462	2 638	152	16	5 635	6 091	994	1 087	7 789	8 461	4 023	5 467	1 533	1 620	42 927	44 527
Free State	7 736	7 353	954	1 256	1 400	1 041	36	95	2 663	2 816	600	630	4 869	5 167	2 470	2 628	1 018	1 129	21 746	22 115
Gauteng	33 213	32 041	2 249	2 631	9 722	7 604	2 112	1 077	30 069	32 711	5 280	5 973	48 418	53 361	19 382	21 248	9 061	10 217	159 504	166 863
KwaZulu-Natal	25 566	24 892	1 087	1 452	5 886	7 990	184	193	14 370	14 863	1 446	1 537	20 594	22 693	8 261	8 283	1 712	1 988	79 105	83 890
Limpopo	16 803	15 356	720	805	1 404	1 313	69	57	1 904	2 074	366	390	3 199	3 587	1 078	1 420	539	396	26 082	25 399
Mpumalanga	10 538	10 325	1 098	1 129	998	1 063	177	144	3 410	3 628	694	726	4 600	4 955	1 811	1 891	584	598	23 911	24 460
North West	10 202	9 527	1 314	1 608	1 624	686	364	257	2 289	2 350	580	639	5 108	6 173	1 962	2 027	603	648	24 045	23 915
Northern Cape	3 433	3 418	342	439	502	654	85	162	1 302	1 398	247	267	1 890	2 094	688	710	289	332	8 777	9 474
Western Cape	12 109	12 453	1 813	1 887	8 964	9 972	239	38	13 215	13 888	1 963	2 071	21 161	24 171	4 787	5 361	2 625	2 948	66 877	72 789
South Africa	138 631	132 824	10 886	12 896	32 962	32 961	3 418	2 038	74 856	79 818	12 171	13 320	117 627	130 664	44 462	49 036	17 964	19 875	452 976	473 431

* Some figures have been revised.

Table 6 – Municipal expenditure per province for the year ends 30 June 2021 and 30 June 2022 – R million

Province	Contracted services		Debt impairment		Depreciation, amortisation and impairment		Employee related costs		Finance costs		Operating leases		Operational costs		Other expenditure		Electricity purchases		Water purchases		Transfers and subsidies paid		Total operational expenditure	
	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022	2021*	2022
Eastern Cape	2 589	2 709	4 467	6 365	4 775	4 975	13 187	13 017	390	439	120	153	4 198	4 384	1 705	1 675	7 041	8 333	308	331	654	566	39 432	42 946
Free State	1 499	1 384	2 930	4 374	2 683	2 534	6 298	6 547	671	879	48	21	1 767	2 039	1 133	1 151	4 662	5 336	1 615	1 641	34	62	23 340	25 967
Gauteng	8 404	8 854	14 738	16 288	11 329	11 029	40 628	41 375	5 928	7 908	1 926	1 532	14 474	17 240	2 809	3 702	38 699	45 057	14 649	15 347	1 327	1 233	154 910	169 565
KwaZulu-Natal	8 791	9 633	5 229	5 403	6 199	6 480	22 509	21 926	1 190	1 234	284	295	6 028	7 465	3 649	4 345	16 416	18 795	4 953	4 549	816	750	76 065	80 876
Limpopo	3 222	3 454	2 194	1 569	2 875	2 844	6 568	6 706	287	288	171	105	2 826	3 084	1 619	1 722	2 569	2 933	397	435	188	151	22 915	23 290
Mpumalanga	2 706	2 931	3 521	3 137	2 366	2 377	6 923	7 214	673	1 043	80	82	1 756	1 836	1 122	1 182	4 806	5 627	864	767	348	288	25 163	26 484
North West	1 546	1 960	2 437	2 579	2 599	2 620	5 360	5 464	361	452	160	141	2 922	3 031	1 247	1 192	4 517	5 846	1 358	1 450	86	80	22 592	24 815
Northern Cape	615	742	801	390	927	953	2 894	2 980	233	296	23	11	1 341	1 452	367	353	1 646	1 926	248	263	51	56	9 146	9 424
Western Cape	7 169	7 789	4 086	4 010	4 486	5 161	22 186	22 540	1 431	1 412	360	383	5 523	5 461	2 842	3 198	14 899	17 677	586	457	621	663	64 189	68 753
South Africa	36 541	39 458	40 402	44 116	38 237	38 974	126 552	127 769	11 163	13 952	3 172	2 722	40 835	45 992	16 494	18 520	95 255	111 530	24 978	25 240	4 124	3 846	437 753	472 120

* Some figures have been revised.

Table 7 – Municipal major revenue streams per province for a five-year period: 2018-2022: R million

Province	Government transfers and subsidies received					Electricity sales					Property rates					Water sales				
	2018	2019	2020*	2021*	2022	2018	2019	2020*	2021*	2022	2018	2019	2020*	2021*	2022	2018	2019	2020*	2021*	2022
Eastern Cape	16 701	17 334	17 241	19 030	17 458	6 688	7 134	7 338	7 789	8 461	4 118	4 706	5 258	5 635	6 091	2 334	2 579	2 962	4 023	5 467
Free State	5 927	6 384	6 298	7 736	7 353	4 213	4 365	4 641	4 869	5 167	2 397	2 489	2 728	2 663	2 816	1 996	2 195	2 283	2 470	2 628
Gauteng	26 827	28 577	29 172	33 213	32 041	40 860	43 663	46 609	48 418	53 361	23 414	27 468	28 198	30 069	32 711	15 473	18 206	18 750	19 382	21 248
KwaZulu-Natal	20 200	20 778	22 976	25 566	24 892	18 322	18 783	20 196	20 594	22 693	11 696	13 321	13 686	14 370	14 863	5 266	6 110	6 965	8 261	8 283
Limpopo	12 658	13 534	14 337	16 803	15 356	2 642	2 767	3 143	3 199	3 587	1 423	1 668	1 882	1 904	2 074	912	975	1 704	1 078	1 420
Mpumalanga	7 950	8 527	8 997	10 538	10 325	3 801	4 070	4 326	4 600	4 955	2 671	3 051	3 021	3 410	3 628	1 448	1 538	1 762	1 811	1 891
North West	7 677	8 254	8 851	10 202	9 527	4 379	4 619	4 544	5 108	6 173	1 860	2 022	2 085	2 289	2 350	1 618	1 873	2 035	1 962	2 027
Northern Cape	2 781	3 039	3 100	3 433	3 418	1 600	1 669	1 868	1 890	2 094	1 036	1 166	1 307	1 302	1 398	562	642	677	688	710
Western Cape	10 098	10 862	11 299	12 109	12 453	17 469	19 067	20 898	21 161	24 171	11 229	13 748	12 981	13 215	13 888	4 570	4 825	4 739	4 787	5 361
South Africa	110 819	117 289	122 271	138 631	132 824	99 974	106 137	113 563	117 627	130 664	59 844	69 639	71 146	74 856	79 818	34 179	38 943	41 877	44 462	49 036

* Some figures have been revised.

Table 8 – Municipal major expenditure streams per province for a five-year period: 2018-2022: R million

Province	Employee related costs					Electricity purchases					Water purchases					Debt impairment				
	2018	2019	2020*	2021*	2022	2018	2019	2020*	2021*	2022	2018	2019	2020*	2021*	2022	2018	2019	2020*	2021*	2022
Eastern Cape	10 219	11 143	11 837	13 187	13 017	5 592	5 962	6 518	7 041	8 333	550	594	601	308	331	2 331	2 762	3 528	4 467	6 365
Free State	5 183	5 628	6 096	6 298	6 547	3 044	3 225	4 396	4 662	5 336	1 308	1 774	1 846	1 615	1 641	2 144	2 836	2 959	2 930	4 374
Gauteng	29 840	33 912	38 973	40 628	41 375	30 645	32 328	36 408	38 699	45 057	11 610	13 784	14 640	14 649	15 347	8 749	12 882	17 117	14 738	16 288
KwaZulu-Natal	17 875	19 138	20 480	22 509	21 926	12 900	13 726	15 249	16 416	18 795	3 334	4 114	5 245	4 953	4 549	3 016	2 667	5 300	5 229	5 403
Limpopo	5 165	5 679	6 175	6 568	6 706	2 107	2 278	2 400	2 569	2 933	716	716	682	397	435	1 518	1 121	1 144	2 194	1 569
Mpumalanga	5 266	5 778	6 327	6 923	7 214	3 600	4 010	4 503	4 806	5 627	973	1 220	879	864	767	1 787	2 025	2 501	3 521	3 137
North West	4 200	4 680	5 073	5 360	5 464	3 223	4 290	3 914	4 517	5 846	1 285	1 583	1 580	1 358	1 450	1 773	2 445	3 444	2 437	2 579
Northern Cape	2 419	2 561	2 649	2 894	2 980	1 284	1 380	1 544	1 646	1 926	245	284	313	248	263	212	380	394	801	390
Western Cape	16 439	18 363	19 247	22 186	22 540	11 809	12 532	14 191	14 899	17 677	360	495	694	586	457	2 459	2 443	3 982	4 086	4 010
South Africa	96 606	106 882	116 857	126 552	127 769	74 204	79 731	89 123	95 255	111 530	20 381	24 564	26 480	24 978	25 240	23 989	29 561	40 369	40 402	44 116

* 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, etc.)	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 2022 and revised data for 2021 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 2022;
- 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 2021 and 2022 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 (Stats SA) 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 2021 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 the 2021/2022 financial year. The three municipalities that did not submit questionnaires and AFS (see technical notes 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 2021 were used for 2022 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 2022 is generally comparable with the publication for the year ended 30 June 2021.

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
DBSA	Development Bank of Southern Africa
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
mSCOA	Municipal Standard Chart of Accounts
Stats SA	Statistics South Africa
VAT	Value-added tax

Revision of data

Information for 2022 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 2021 revised figures.

Fluctuations between 2021 and 2022

The fluctuations in the data between 2021 and 2022 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	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.

Employee-related costs also include:

- 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).

Also refer to the *Quarterly employment statistics* (QES – P0277), which measures employment and gross earnings of all employees on a given municipal payroll.

Fines, penalties and forfeits

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.

Government grant reserve

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.

Housing development fund

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.

Housing services

Housing includes all activities associated with the municipal provision of housing.

Intangible assets

Intangible assets refer to assets that cannot be touched, weighed or physically measured and include:

- mineral exploration rights;
- computer software; and
- patent copyright, brand names and trademarks.

Investment property

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.

Examples of investment property: [IAS 40.8]

- 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	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. Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).
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	Provision is any amount set aside for the purpose of meeting the following: <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.

Provision includes:

- 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	<p>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.</p>
Revaluation reserve	<p>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.</p>
Self-insurance reserve	<p>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.</p>
Trading services	<p>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 and water storage), electricity (electricity distribution, electricity generation and street lighting), etc.</p>
Value added tax	<p>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.</p>

General information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's 11 official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

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Advance release calendar

An advance release calendar is disseminated on www.statssa.gov.za.

Forthcoming issue	Expected release date
Financial census of municipalities, 2023	June 2024

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