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STATISTICAL RELEASE

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Financial census of municipalities

for the year ended 30 June 2023

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Technical notes

Response rates for the 2023 financial year per province:

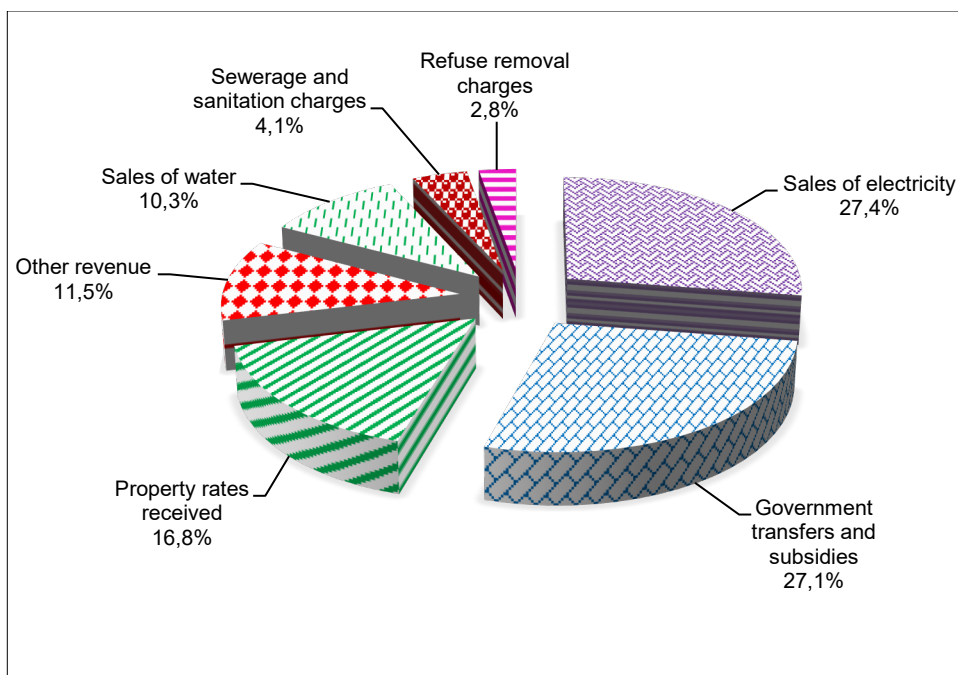
Province	Municipalities					
	Metropolitan municipalities (MMs)	District municipalities (DMs)	Local municipalities (LMs)	Response per province	Total per province	Response rate (%)
Western Cape	1	5	24	30	30	100
Eastern Cape	2	6	31	39	39	100
Northern Cape	0	5	26	31	31	100
Free State	1	4	18	23	23	100
KwaZulu-Natal	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	204	256	257	99

The following municipality did not respond and their annual financial statements (AFS) were not available/received by the data collection cut-off date (31 May 2024):

Province	Municipality name	AFS submitted for 2022	AFS submitted for 2023
North West	Ditsobotla local municipality	No	No

Key findings

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

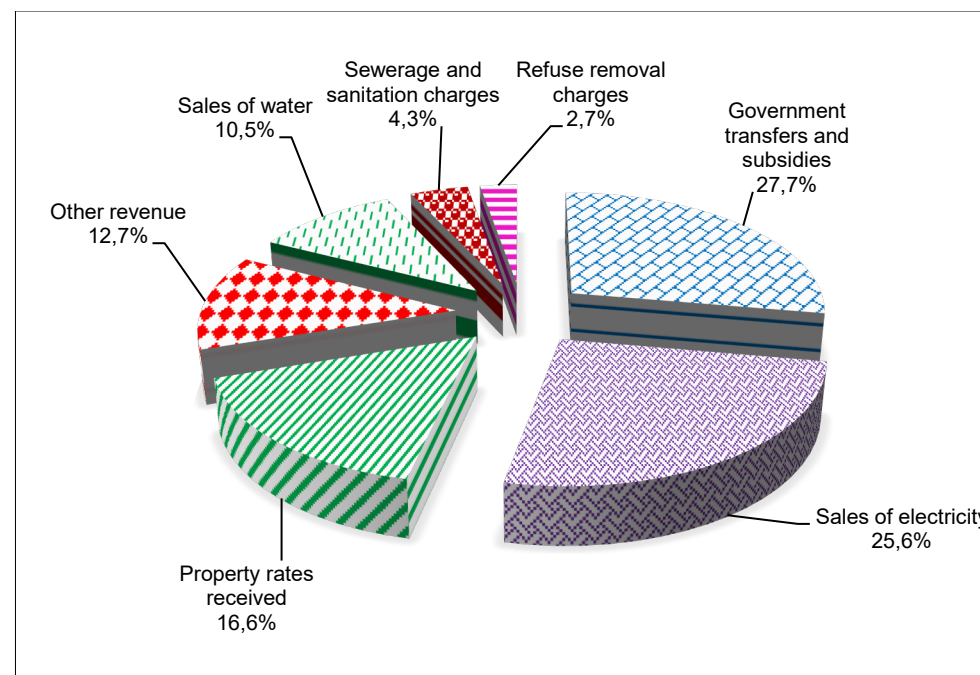


* Some figures have been revised.

[†] 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 R475 301 million (total revenue less deficit: see tables in Part 3) for the year ended 30 June 2022 was 'sales of electricity' (27,4%), followed by 'government transfers and subsidies' (27,1%), 'property rates received' (16,8%), 'other revenue' (11,5%) (which consists of fines, penalties and forfeits, licences and permits, other transfers and subsidies, etc.) and 'sales of water' (10,3%). 'Refuse removal charges' (2,8%) and 'sewerage and sanitation charges' (4,1%) were the smallest contributors.

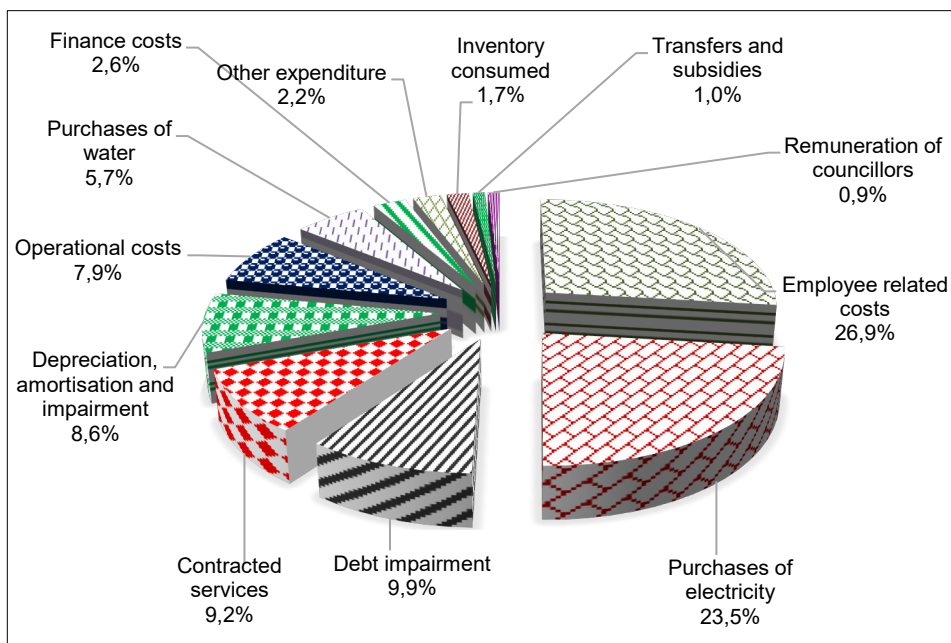
Figure B – Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2023[†]



[†] 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 R517 001 million (total revenue less deficit: see tables in Part 3) for the year ended 30 June 2023 was 'government transfers and subsidies' (27,7%), followed by 'sales of electricity' (25,6%), 'property rates received' (16,6%), 'other revenue' (12,7%) (which consists of fines, penalties and forfeits, licences and permits, other transfers and subsidies, etc.) and 'sales of water' (10,5%). 'Refuse removal charges' (2,7%) and 'sewerage and sanitation charges' (4,3%) were the smallest contributors.

Figure C – Municipal operating expenditure as a percentage of total expenditure for the year ended 30 June 2022[†]

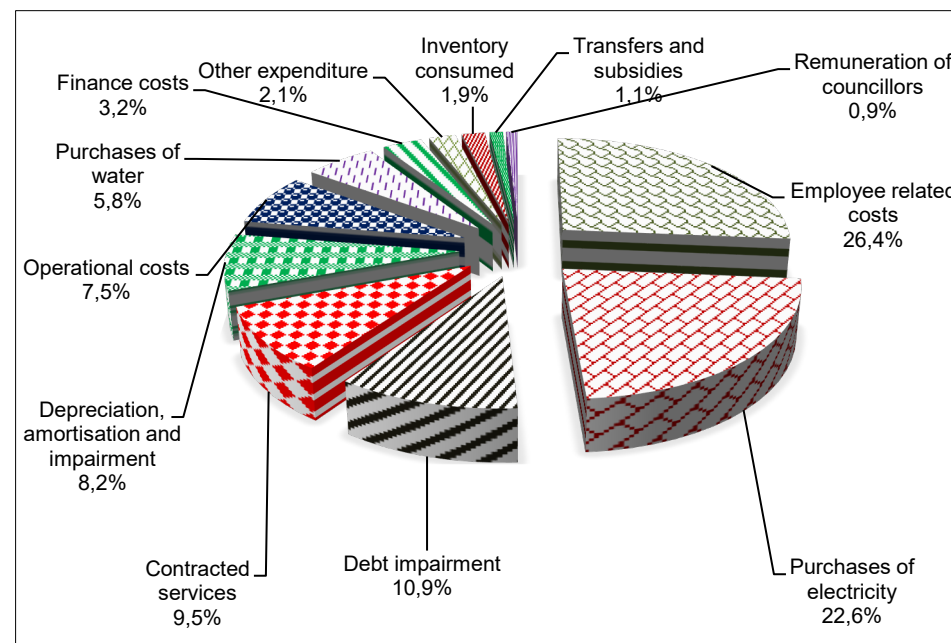


* Some figures have been revised.

[†] 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 2022, the largest contributor to municipal total operating expenditure of R475 292 million (total expenditure less surplus: see tables in Part 3) was 'employee related costs' (26,9%), followed by 'purchases of electricity' (23,5%), 'debt impairment' (9,9%), 'contracted services' (9,2%), 'depreciation, amortisation and impairment' (8,6%), 'operational costs' (7,9%) (which consists of travel and subsistence, external audit fees, bank charges, facility and card fees, communication, wet fuel, hire charges, insurance underwriting, etc.) and 'purchases of water' (5,7%). The smallest contributors were 'remuneration of councillors' (0,9%), 'transfers and subsidies' (1,0%), 'inventory consumed' (1,7%), 'other expenditure' (2,2%) (which consists of loss on disposal of assets, operating leases, etc.) and 'finance costs' (2,6%).

Figure D – Municipal operating expenditure as a percentage of total expenditure for the year ended 30 June 2023[†]



[†] 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 2023, the largest contributor to municipal total operating expenditure of R504 689 million (total expenditure less surplus: see tables in Part 3) was 'employee related costs' (26,4%), followed by 'purchases of electricity' (22,6%), 'debt impairment' (10,9%), 'contracted services' (9,5%), 'depreciation, amortisation and impairment' (8,2%), 'operational costs' (7,5%) (which consists of travel and subsistence, external audit fees, bank charges, facility and card fees, communication, wet fuel, hire charges, insurance underwriting, etc.) and 'purchases of water' (5,8%). The smallest contributors were 'remuneration of councillors' (0,9%), 'transfers and subsidies' (1,1%), 'inventory consumed' (1,9%), 'other expenditure' (2,1%) (which consists of loss on disposal of assets, operating leases, etc.) and 'finance costs' (3,2%).

Table 1 – Acid test ratio

Year	Acid test ratio of municipalities for the financial years ended 30 June 2022 and 30 June 2023		
	Current assets minus inventory	Current liabilities	Acid test ratio
	R million	R million	
2022*	159 955	213 726	0,75
2023	179 742	236 263	0,76

* 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 2022 and 30 June 2023, municipalities had acid test ratios of 0,75 and 0,76 respectively.

Table 3: Debt-to-income ratio

Year	Debt-to-income ratio of municipalities for the financial years ended 30 June 2022 and 2023		
	Total liabilities	Total revenue	Debt-to-income ratio
	R million	R million	
2022*	333 053	475 301	0,70
2023	356 012	517 001	0,69

* Some figures have been revised.

The debt-to-income ratio provides a simple measure of the total liabilities of municipalities compared with 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 with how much they earn or generate. As can be seen from Table 3 above, municipalities had debt-to-income ratios of 0,70:1 and 0,69:1 for the financial years ended 30 June 2022 and 30 June 2023 respectively.

Table 2 – Current ratio

Year	Current ratio of municipalities for the financial years ended 30 June 2022 and 30 June 2023		
	Current assets	Current liabilities	Current ratio
	R million	R million	
2022*	170 338	213 726	0,80
2023	190 542	236 263	0,81

* 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 2022 and 30 June 2023, municipalities had current ratios of 0,80 and 0,81 respectively.

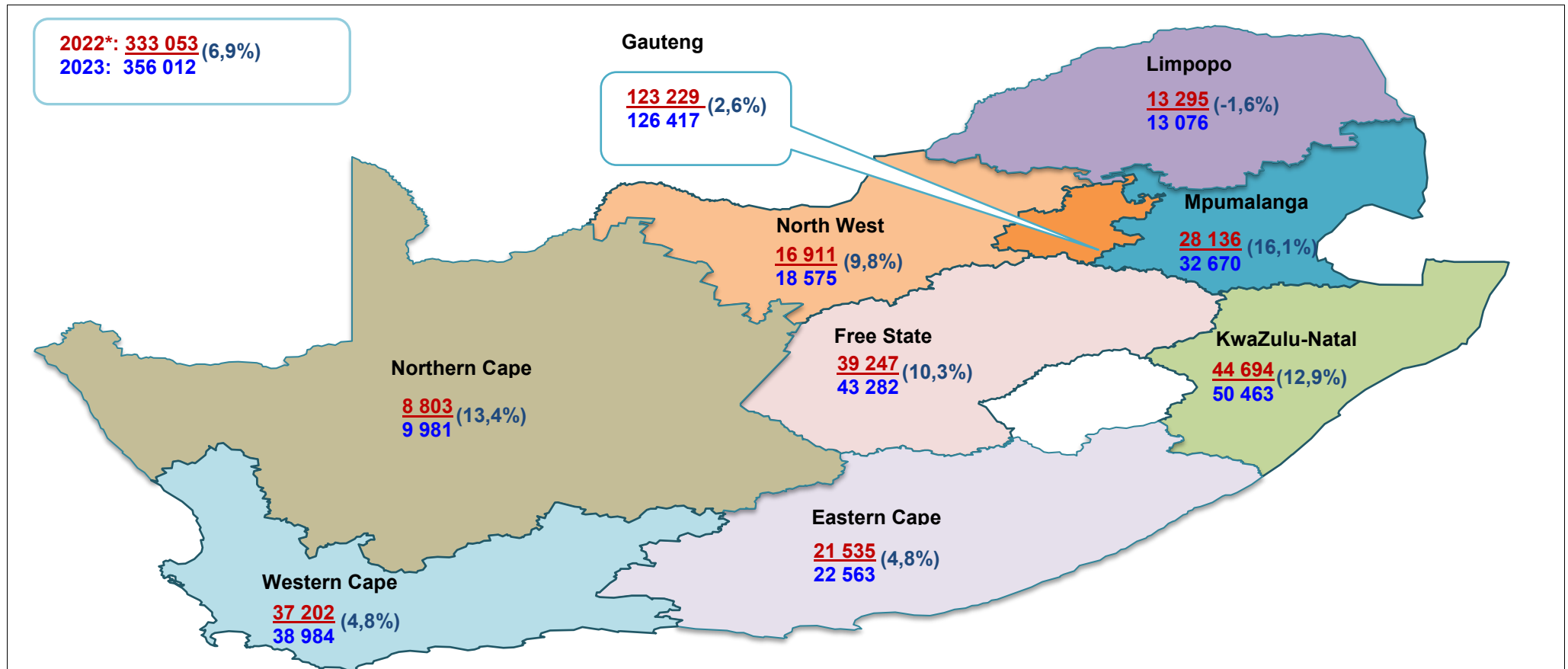
Table 4: Debt ratio

Year	Debt ratio of municipalities for the financial years ended 30 June 2022 and 2023		
	Total liabilities	Total assets	Debt ratio
	R million	R million	
2022*	333 053	985 207	0,34
2023	356 012	1 027 110	0,35

* Some figures have been revised.

The 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 assists entities to assess risks they are facing in terms of their debt load. For the financial years ended 30 June 2022 and 30 June 2023, the debt ratios were 0,34 and 0,35 respectively.

Figure E – Municipal total liabilities per province as at 30 June 2022* and 30 June 2023 (R million)

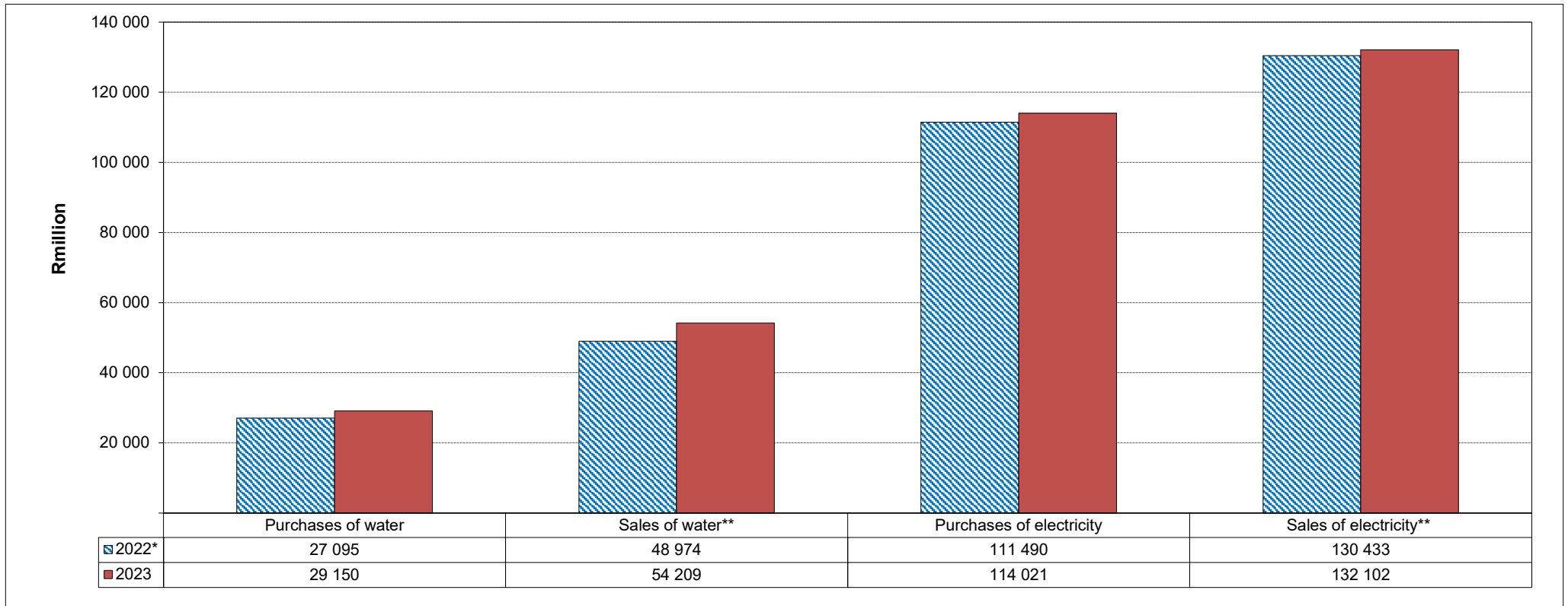


* Some figures have been revised.

As at 30 June 2023, municipalities owed their lenders, suppliers and other creditors a combined amount of R356 012 million, 6,9% more than what they owed as at 30 June 2022. The provinces which showed the highest percentage increases between 2022 and 2023 were Mpumalanga (16,1%), Northern Cape (13,4%), KwaZulu-Natal (12,9%), Free State (10,3%) and North West (9,8%).

The provinces which had the lowest percentage increases between 2022 and 2023 were Gauteng (2,6%), Eastern Cape (4,8%) and Western Cape (4,8%). Limpopo was the only province which had a percentage decrease (-1,6%) over the same period. 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 2022 and 30 June 2023



* Some figures have been revised.

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

Between 2022 and 2023, purchases of water increased from R27 095 million to R29 150 million (7,6%) and sales of water increased from R48 974 million to R54 209 million (10,7%). Purchases of electricity increased from R111 490 million to R114 021 million (2,3%) and sales of electricity increased from R130 433 million to R132 102 million (1,3%) over the same period.

Risenga Maluleke
Statistician-General

Part 1 – Consolidated statement of financial position of municipalities as at 30 June 2022 and 30 June 2023

Net assets and liabilities	2022*(a)	2023(b)	Difference ¹
	R'000	R'000	R'000
Net assets			
Accumulated surplus/(Deficit)	600 746 498	614 018 813	13 272 315
Non-controlling interest	350 122	363 615	13 493
Reserves and funds			
Capital replacement reserve	5 419 282	5 104 336	-314 946
Capitalisation reserve	0	0	0
Compensation for occupational injuries and diseases	248 034	253 977	5 943
Employee benefit reserve	34 169	38 763	4 594
Housing development fund	616 611	617 534	923
Investment in associate account	0	0	0
Non-current provisions reserve	2 400	2 536	136
Revaluation reserve	31 073 840	36 073 864	5 000 024
Self-insurance reserve	795 419	807 742	12 323
Valuation reserve	0	0	0
Other reserves and funds	12 868 155	13 817 138	948 983
Non-current liabilities			
Deferred tax liabilities	4 847 273	4 322 882	-524 391
Operating lease liability	5 946	4 037	-1 909
Non-current borrowings			
Marketable bonds	13 960 579	10 871 148	-3 089 431
Annuity, bullet and concessionary loans			
Banks	18 851 999	19 238 223	386 224
Development Bank of Southern Africa (DBSA)	27 642 221	28 802 366	1 160 145
Other sources	1 228 594	2 813 655	1 585 061
Finance lease liability	281 969	503 662	221 693
Non-current employee benefit obligation	23 772 631	23 007 095	-765 536
Non-current provisions	23 539 572	23 142 388	-397 184
Other non-current liabilities	5 196 033	7 042 681	1 846 648
Current liabilities			
Bank overdraft	47 886	215 597	167 711
Consumer deposits	7 578 856	7 864 425	285 569
Current borrowings			
Marketable bonds	2 360 205	1 548 893	-811 312
Current portion of annuity, bullet and concessionary loans			
Banks	3 205 828	2 350 943	-854 885
Development Bank of Southern Africa (DBSA)	3 759 312	3 527 679	-231 633
Other sources	1 892 360	2 218 567	326 207
Current portion of finance lease liability	370 078	306 692	-63 386
Current employee benefit obligation	5 391 489	5 508 277	116 788
Current provisions	6 737 757	6 770 850	33 093

¹ Difference (b-a).

* Some figures have been revised.

**Part 1 – Consolidated statement of financial position of municipalities as at 30 June 2022 and 30 June 2023
(continued)**

Net assets and liabilities	2022*(a)	2023(b)	Difference ¹
	R'000	R'000	R'000
Trade and other payables from exchange transactions			
Advance payments	7 838 248	8 445 956	607 708
Retentions	7 287 612	7 956 169	668 557
Trade payables	103 157 748	121 892 487	18 734 739
Other payables from exchange transactions	46 074 788	47 964 271	1 889 483
Trade and other payables from non-exchange transactions			
Transfers and subsidies payable	149 848	312 194	162 346
Transfers and subsidies unspent	9 006 079	11 482 253	2 476 174
Other payables from non-exchange transactions	971 116	751 975	-219 141
VAT ² payable	7 287 503	6 424 225	-863 278
Other current liabilities ³	609 086	721 917	112 831
Total net assets and liabilities	985 207 146	1 027 109 825	41 902 679

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 2022 and 30 June 2023
(concluded)**

Assets	2022*(a)	2023(b)	Difference ¹
	R'000	R'000	R'000
Non-current assets			
Property, plant and equipment	752 137 827	774 029 832	21 892 005
Heritage assets	5 674 179	5 695 619	21 440
Investment property	34 826 969	35 583 602	756 633
Intangible assets	5 625 044	5 590 273	-34 771
Biological assets	441 942	498 578	56 636
Investments			
Deposit taking institutions (Financial institutions)	292 387	339 707	47 320
Listed/unlisted bonds and stocks	35 564	22 183	-13 381
Interest rate swaps	156 939	247 941	91 002
National government securities	0	0	0
Other investments	7 988 692	6 287 927	-1 700 765
Investments in associates and joint ventures	1 905 319	1 831 491	-73 828
Deferred tax assets	4 447 838	4 892 595	444 757
Non-current receivables			
Housing selling schemes	19 669	17 728	-1 941
Bursary obligations	26 647	19 702	-6 945
Operating lease	6 507	5 245	-1 262
Consumer receivables	346 844	342 836	-4 008
Other receivables	500 435	526 373	25 938
Other non-current assets	436 021	636 632	200 611
Current assets			
Cash and cash equivalents			
Cash at bank	19 388 315	21 602 085	2 213 770
Call deposits and investments	39 963 546	45 610 635	5 647 089
Cash on hand	111 942	81 694	-30 248
Current portion of non-current receivables	369 557	222 758	-146 799
Operating lease receivables	40 298	50 858	10 560
Inventory	10 383 160	10 799 373	416 213
Receivables from exchange transactions			
Electricity	17 545 453	18 739 635	1 194 182
Waste management	5 693 221	5 620 500	-72 721
Waste water management	5 450 820	6 291 078	840 258
Water	19 787 270	23 695 676	3 908 406
Property rental receivables	429 504	499 553	70 049
Prepayments and advances	947 643	949 969	2 326
Other receivables from exchange transactions	13 101 456	14 646 032	1 544 576
Receivables from non-exchange transactions			
Property rates	20 169 108	24 657 993	4 488 885
Fines	1 840 442	1 995 569	155 127
Other receivables from non-exchange transactions	2 489 653	2 254 231	-235 422
VAT receivable	9 580 866	11 578 074	1 997 208
Deposits (fuel, ESKOM, etc.)	49 660	62 319	12 659
Other current assets ²	2 996 409	1 183 529	-1 812 880
Total assets	985 207 146	1 027 109 825	41 902 679

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 2023

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	87 879 497	2 100 815	340 838	134 439	3 536 093	292 762	7 378	86 634 112
Land	41 934 362	166 437	6 552	37 967	0	167 465	0	41 977 853
Buildings	45 945 135	1 934 378	334 286	96 472	3 536 093	125 297	7 378	44 656 259
Infrastructure assets	553 457 432	31 533 992	14 644 434	2 742 452	27 091 154	1 076 741	46 379	574 256 794
Drains	3 941 752	492 568	55 219	168 225	253 491	258	45	4 404 060
Roads	66 142 845	3 267 645	990 195	1 058 686	4 263 011	41 322	2 656	67 157 694
Beach empowerments (development)	152 169	13 976	824	305	6 742	0	0	160 532
Sewerage mains and purifications	32 250 371	1 099 275	710 749	302 748	1 282 395	12 107	4 694	33 073 335
Electricity generation	599 752	51 216	155 994	0	37 835	2 841	2 774	769 060
Electricity mains	26 814 360	1 166 037	237 210	-92 073	1 493 612	83 776	1 255	26 549 401
Electricity peak loads equipment	8 697 716	567 154	0	71 361	298 224	5	2	9 038 004
Water purification	5 040 406	344 254	109 579	215 885	213 120	1 545	1 435	5 496 894
Reservoirs - water	3 029 130	131 662	191 280	130 866	100 771	797	71	3 381 441
Water meters	4 416 708	52 852	128 229	0	152 943	568	0	4 444 278
Water mains	44 856 879	1 938 815	1 377 929	213 597	1 501 807	66 115	2 392	46 821 690
Other	357 515 344	22 408 538	10 687 226	672 852	17 487 203	867 407	31 055	372 960 405
Community assets	53 695 757	1 916 703	1 083 607	1 538 564	3 076 390	59 028	16 007	55 115 220
Parks and gardens	318 825	12 131	617	1 994	14 984	239	172	318 516
Libraries	415 864	16 474	320	-251	29 701	896	0	401 810
Recreation facilities	1 471 844	49 212	31 398	28 897	105 739	563	38	1 475 087
Civic buildings	3 763 227	62 078	11 841	50 726	178 774	17	17	3 709 098
Other	47 725 997	1 776 808	1 039 431	1 457 198	2 747 192	57 313	15 780	49 210 709

Part 2 – Consolidated analysis statement of property, plant and equipment, investment property, intangibles assets and biological (cultivated) assets as at 30 June 2023 (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	3 299 501	114 708	0	5 006	178 229	11 628	8 791	3 238 149
Housing rental stock	2 000 294	76 690	0	5 006	107 611	10 370	8 791	1 972 800
Other	1 299 207	38 018	0	0	70 618	1 258	0	1 265 349
Leased assets	485 974	70 102	0	0	155 042	76 521	2 582	327 095
Other assets	52 965 753	7 369 405	1 150 404	-279 182	6 465 336	593 113	310 531	54 458 462
Landfill sites	2 361 244	94 105	6 493	62 612	220 331	37 830	2 533	2 268 826
Office equipment	1 061 999	333 975	0	0	246 957	6 708	1 471	1 143 780
Furniture and fittings	1 317 974	302 378	7 412	1 292	365 727	60 960	49 679	1 252 048
Bins and containers	53 951	3 554	0	0	11 656	4	3	45 848
Emergency equipment	121 640	21 701	14 332	-522	28 445	5 522	4 586	127 770
Motor vehicles	7 635 727	2 549 205	4 921	130	1 380 093	205 737	131 556	8 735 709
Fire engines	17 581	2 896	0	0	1 161	842	446	18 920
Refuse tankers	8 059	8 895	0	0	1 674	0	0	15 280
Computer equipment	1 774 901	658 792	2 067	1 778	580 415	86 649	69 065	1 839 539
Councillors' regalia	0	0	0	0	0	0	0	0
Conservancy tankers	0	0	0	0	0	0	0	0
Water crafts	19 255	3 447	0	0	3 429	801	468	18 940
Plant and other equipment	20 093 109	1 819 994	8 938	5 385	1 228 778	48 801	17 064	20 666 911
Other	18 500 313	1 570 463	1 106 241	-349 857	2 396 670	139 259	33 660	18 324 891
Total PPE	751 783 914	43 105 725	17 219 283	4 141 279	40 502 244	2 109 793	391 668	774 029 832
Heritage assets	5 675 896	9 424	1 287	15 790	6 771	7	0	5 695 619
Investment property	35 707 445	99 463	10 776	3 240	125 186	168 154	56 018	35 583 602
Intangible assets	5 633 166	705 850	47 743	93 682	875 509	148 093	133 434	5 590 273
Biological (cultivated) assets	488 731	16 164	0	193	2 573	3 937	0	498 578
Total	799 289 152	43 936 626	17 279 089	4 254 184	41 512 283	2 429 984	581 120	821 397 904

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2022 and 30 June 2023: Expenditure

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2022*	2023	2022*	2023	2022*(a)	2023(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	
Employee related costs	82 618 685	86 188 434	45 044 473	46 887 726	127 663 158	133 076 160	5 413 002
Remuneration of councillors	4 388 343	4 680 942	0	0	4 388 343	4 680 942	292 599
Finance costs	9 350 822	11 480 042	3 231 418	4 678 707	12 582 240	16 158 749	3 576 509
Loss on disposal of assets	1 211 097	1 007 967	325 616	1 263 773	1 536 713	2 271 740	735 027
Debt impairment	24 218 507	19 683 073	22 852 769	35 136 895	47 071 276	54 819 968	7 748 692
Contracted services							
Consultants and professional services	4 896 279	5 061 771	2 036 749	2 392 074	6 933 028	7 453 845	520 817
Contractors	6 055 308	6 352 192	12 247 965	13 782 454	18 303 273	20 134 646	1 831 373
Outsourced services	8 121 157	9 017 709	10 405 359	11 266 060	18 526 516	20 283 769	1 757 253
Operating leases							
Buildings and infrastructure	484 649	369 451	96 986	57 574	581 635	427 025	-154 610
Computer, furniture and office equipment	157 435	182 725	15 117	15 876	172 552	198 601	26 049
Transport assets, machinery and equipment	324 041	927 104	325 731	1 602 331	649 772	2 529 435	1 879 663
Other	1 219 796	738 750	1 839 267	482 522	3 059 063	1 221 272	-1 837 791
Inventory consumed	3 741 391	3 176 207	4 355 571	6 216 379	8 096 962	9 392 586	1 295 624
Depreciation, amortisation and impairment	17 199 478	15 824 441	23 440 730	25 687 842	40 640 208	41 512 283	872 075
Bulk purchases:							
Purchases of water	0	0	27 094 671	29 150 469	27 094 671	29 150 469	2 055 798
Purchases of electricity	0	0	111 489 725	114 021 258	111 489 725	114 021 258	2 531 533
Other bulk purchases	0	0	108 867	212 778	108 867	212 778	103 911
Transfers and subsidies:							
Other local government institutions	402 825	835 614	186 152	244 299	588 977	1 079 913	490 936
Tertiary institutions of higher learning	0	0	0	0	0	0	0
Households	758 761	791 691	122 315	322 971	881 076	1 114 662	233 586
Non-profit institutions	409 179	429 100	25 000	12 203	434 179	441 303	7 124
Other	1 726 080	1 040 395	901 367	1 746 737	2 627 447	2 787 132	159 685

¹ Difference (b-a).

* Some figures have been revised.

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2022 and 30 June 2023: Expenditure (concluded)

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2022*	2023	2022*	2023	2022*(a)	2023(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs:							
Advertising, publicity and marketing	573 655	566 353	97 954	130 035	671 609	696 388	24 779
Bank charges, facility and card fees	587 824	597 781	24 228	27 297	612 052	625 078	13 026
Communication	1 179 645	1 217 847	177 896	150 878	1 357 541	1 368 725	11 184
Courier and delivery services	191 602	144 717	1 785	3 110	193 387	147 827	-45 560
Entertainment	76 378	56 546	8 820	1 102	85 198	57 648	-27 550
External audit fees	1 270 448	1 477 815	97 606	73 329	1 368 054	1 551 144	183 090
Hire charges	1 011 148	1 254 896	863 791	1 215 381	1 874 939	2 470 277	595 338
Insurance underwriting	1 341 475	1 523 549	280 946	317 655	1 622 421	1 841 204	218 783
Printing, publications and books	379 903	360 218	50 353	47 386	430 256	407 604	-22 652
Professional bodies, membership and subscription	757 090	780 527	21 133	16 663	778 223	797 190	18 967
Transport	197 325	149 256	9 458	29 991	206 783	179 247	-27 536
Travel and subsistence	584 460	862 477	117 749	144 603	702 209	1 007 080	304 871
Wet fuel	1 780 221	2 371 748	748 964	1 086 974	2 529 185	3 458 722	929 537
Other operational costs	11 392 636	10 273 779	13 548 432	12 904 930	24 941 068	23 178 709	-1 762 359
Other expenditure	3 197 736	2 355 717	1 240 421	1 558 836	4 438 157	3 914 553	-523 604
Taxation	51 191	0	0	19 173	51 191	19 173	-32 018
Surplus	68 234 429	90 217 864	41 213 443	41 747 272	109 447 872	131 965 136	22 517 264
Total expenditure	260 090 999	281 998 698	324 648 827	354 655 543	584 739 826	636 654 241	51 914 415

¹ Difference (b-a).

* Some figures have been revised.

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2022 and 30 June 2023: Revenue

Revenue	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2022*	2023	2022*	2023	2022*(a)	2023(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from:							
Residential	36 461 119	38 251 507	0	0	36 461 119	38 251 507	1 790 388
Commercial or business	26 484 929	27 887 010	0	0	26 484 929	27 887 010	1 402 081
State	3 583 680	3 950 144	0	0	3 583 680	3 950 144	366 464
Other (includes agricultural, municipal etc)	13 149 655	15 641 944	0	0	13 149 655	15 641 944	2 492 289
Property rates - penalties imposed and collection charges	550 041	1 055 446	0	0	550 041	1 055 446	505 405
Interest on:							
Investments	3 280 982	5 629 857	115 032	138 585	3 396 014	5 768 442	2 372 428
Receivables	4 717 359	6 385 444	4 836 677	7 974 361	9 554 036	14 359 805	4 805 769
Dividends	23 030	21 320	60	217	23 090	21 537	-1 553
Fines, penalties and forfeits	4 784 209	6 065 245	402 187	190 938	5 186 396	6 256 183	1 069 787
Licences and permits	314 275	361 829	330 485	298 000	644 760	659 829	15 069
Agency services	1 295 950	1 332 742	1 226 619	1 206 955	2 522 569	2 539 697	17 128
Rental	1 374 542	1 569 665	1 147 635	1 262 441	2 522 177	2 832 106	309 929
Sales of goods and rendering of services	1 708 254	2 002 310	668 317	727 999	2 376 571	2 730 309	353 738
Gains on the disposal of assets	748 867	755 325	384 428	39 041	1 133 295	794 366	-338 929
Service charges:							
Sales of water	0	0	48 973 989	54 209 182	48 973 989	54 209 182	5 235 193
Sales of electricity	0	0	130 433 484	132 101 898	130 433 484	132 101 898	1 668 414
Refuse removal charges	0	0	13 250 019	14 033 656	13 250 019	14 033 656	783 637
Sewerage and sanitation charges	0	0	19 681 317	22 079 342	19 681 317	22 079 342	2 398 025
Other service charges (e.g. fresh produce market etc)	0	0	1 418 385	1 815 583	1 418 385	1 815 583	397 198
Government transfers and subsidies:							
Capital	13 579 132	16 125 321	23 236 047	24 910 691	36 815 179	41 036 012	4 220 833
Operational	66 362 585	73 332 648	25 609 326	29 065 819	91 971 911	102 398 467	10 426 556
Other transfers and subsidies (incl. contributions and donations)	2 219 689	1 512 026	381 166	830 380	2 600 855	2 342 406	-258 449
Operational revenue	18 776 412	19 246 867	3 791 031	4 989 295	22 567 443	24 236 162	1 668 719
Deficit	60 676 289	60 872 048	48 762 623	58 781 160	109 438 912	119 653 208	10 214 296
Total revenue	260 090 999	281 998 698	324 648 827	354 655 543	584 739 826	636 654 241	51 914 415

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 2022 and 30 June 2023: Expenditure

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	37 730 964	37 754 543	5 193 099	5 456 886	6 112 721	5 997 686	7 530 258	7 507 049	6 973 411	7 581 862
Remuneration of councillors	4 388 343	4 680 942	0	0	0	0	0	0	0	0
Finance costs	9 221 281	11 315 179	105	528	11 918	11 027	8 603	10 171	102 421	135 689
Loss on disposal of assets	1 037 619	882 792	581	1 417	69 422	21 519	2 901	41 498	69 358	48 685
Debt impairment	20 270 807	15 853 299	6 304	3 205	13 870	17 361	27 507	428 409	167 876	146 957
Contracted services										
Consultants and professional services	3 953 387	4 108 603	88 508	89 413	47 742	39 792	35 165	31 605	680 698	714 598
Contractors	4 242 333	4 336 429	44 857	35 908	496 196	470 659	399 542	430 711	410 070	534 677
Outsourced services	4 867 537	5 098 194	215 212	243 097	757 372	791 441	675 390	749 118	638 323	967 668
Operating leases										
Buildings and infrastructure	447 242	339 473	578	192	157	167	22 997	21 768	6 744	7 229
Computer, furniture and office equipment	138 225	161 333	1 232	1 315	1 628	1 660	7 025	7 479	6 343	8 056
Transport assets, machinery and equipment	301 754	598 020	64	12 870	3 752	32 934	7 050	14 298	813	6 253
Other	1 120 453	555 723	14 554	8 149	7 700	17 174	14 443	8 502	25 835	18 466
Inventory consumed	2 671 181	1 966 035	366 050	370 060	177 476	231 379	215 185	179 908	85 555	120 800
Depreciation, amortisation and impairment	12 891 272	9 926 746	145 712	191 492	1 528 964	1 465 011	765 068	1 788 036	1 208 569	1 572 247
Transfers and subsidies:										
Other local government institutions	150 199	173 802	15 102	17 015	0	0	10 869	8 702	213 373	624 130
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0	0	0
Households	639 683	663 727	458	932	5 079	4 712	38 068	59 880	70 189	59 188
Non-profit institutions	338 204	356 007	0	0	15 279	923	10 203	10 639	42 811	55 470
Other	1 313 187	677 298	20 284	10 080	33 763	14 752	43 689	20 134	312 550	295 826

* 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 2022 and 30 June 2023: Expenditure (continued)

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Advertising, publicity and marketing	461 452	427 503	1 109	935	25 471	42 922	28 203	30 334	54 392	60 677
Bank charges, facility and card fees	565 698	578 686	26	0	1 926	1 699	1 320	1 140	2 274	1 880
Communication	1 097 791	1 149 040	8 760	8 827	17 403	10 170	19 186	14 811	14 872	13 405
Courier and delivery services	178 187	142 503	242	12	40	20	1 474	178	1 381	482
Entertainment	60 475	53 959	54	59	12 639	197	562	709	780	1 329
External audit fees	1 246 465	1 464 160	601	0	3 323	2 298	2 909	170	12 416	8 813
Hire charges	869 707	1 095 311	1 759	3 354	19 507	29 625	66 477	67 090	44 548	50 484
Insurance underwriting	1 303 906	1 466 034	1 361	1 585	11 023	22 317	5 017	9 195	8 560	8 977
Printing, publications and books	254 287	275 749	10 275	6 375	5 498	3 706	16 050	15 957	17 959	15 519
Professional bodies, membership and subscription	734 919	749 693	1 273	1 267	2 082	3 026	4 029	3 809	9 061	19 636
Transport	179 436	113 321	240	1 202	1 227	3 751	12 134	13 091	3 893	9 998
Travel and subsistence	470 764	687 597	13 992	16 122	4 910	13 479	27 097	41 989	48 749	73 805
Wet fuel	1 505 976	2 019 891	11 281	11 932	84 872	118 102	25 516	30 673	9 538	22 146
Other operational costs	7 873 064	7 120 448	118 190	181 234	798 837	323 566	614 736	481 312	794 056	943 386
Other expenditure	2 938 714	2 161 521	639	2 052	37 073	16 983	12 750	74 616	138 254	49 015
Taxation	49 600	0	0	0	0	0	0	0	1 591	0
Surplus	62 445 343	82 983 441	13 559	22 001	70 088	67 164	399 807	434 748	4 798 306	5 841 200
Total expenditure	187 959 455	201 937 002	6 296 061	6 699 516	10 378 958	9 777 222	11 051 230	12 537 729	16 975 569	20 018 553

* 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 2022 and 30 June 2023: Expenditure (continued)

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	11 357 356	11 349 802	4 916 992	5 202 508	2 554 571	5 091 059	249 313	247 039
Remuneration of councillors	0	0	0	0	0	0	0	0
Finance costs	1 891	2 852	4 114	4 366	472	230	17	0
Loss on disposal of assets	1 641	8 005	28 842	1 981	733	1 974	0	96
Debt impairment	3 589 921	3 015 582	114 933	130 684	27 289	87 576	0	0
Contracted services								
Consultants and professional services	80 800	33 844	3 797	6 032	3 231	37 884	2 951	0
Contractors	270 263	281 197	84 706	96 567	106 359	158 770	982	7 274
Outsourced services	726 038	314 780	69 657	80 827	164 191	762 873	7 437	9 711
Operating leases								
Buildings and infrastructure	6 931	622	0	0	0	0	0	0
Computer, furniture and office equipment	2 181	2 194	460	409	341	279	0	0
Transport assets, machinery and equipment	2 329	237 244	8 279	24 502	0	983	0	0
Other	1 731	110 557	24 151	9 653	10 929	10 526	0	0
Inventory consumed	95 612	119 329	47 821	59 557	82 486	122 966	25	6 173
Depreciation, amortisation and impairment	348 141	592 551	142 086	111 096	160 260	170 328	9 406	6 934
Transfers and subsidies:								
Other local government institutions	0	0	13 282	11 965	0	0	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households	11	261	4 488	1 471	785	1 520	0	0
Non-profit institutions	1 155	1 253	250	3 300	1 277	1 508	0	0
Other	641	15 559	605	880	1 361	5 866	0	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 2022 and 30 June 2023: Expenditure (concluded)

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs:								
Advertising, publicity and marketing	1 283	1 340	746	606	897	2 030	102	6
Bank charges, facility and card fees	16 468	13 961	10	101	102	314	0	0
Communication	8 920	9 018	8 739	8 308	3 649	4 031	325	237
Courier and delivery services	9 854	1 505	231	0	193	17	0	0
Entertainment	1 251	115	614	51	3	127	0	0
External audit fees	1 345	0	2 236	0	1 153	2 374	0	0
Hire charges	5 032	4 316	2 566	2 806	1 344	1 091	208	819
Insurance underwriting	5 763	5 793	5 276	7 360	311	1 958	258	330
Printing, publications and books	63 345	31 622	1 707	1 740	10 774	9 546	8	4
Professional bodies, membership and subscription	1 209	937	4 270	1 894	241	214	6	51
Transport	263	469	97	492	35	6 932	0	0
Travel and subsistence	10 709	14 027	4 316	6 750	2 030	6 406	1 893	2 302
Wet fuel	103 033	118 248	23 446	30 703	16 075	19 554	484	499
Other operational costs	894 713	941 319	160 447	175 813	129 185	101 603	9 408	5 098
Other expenditure	39 097	17 449	23 578	31 379	7 510	2 115	121	587
Taxation	0	0	0	0	0	0	0	0
Surplus	451 309	720 680	24 601	14 056	31 416	134 574	0	0
Total expenditure	18 100 236	17 966 431	5 727 343	6 027 857	3 319 203	6 747 228	282 944	287 160

* 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 2022 and 30 June 2023: Revenue

Revenue	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from:										
Residential	36 461 119	38 251 507	0	0	0	0	0	0	0	0
Commercial or business	26 484 929	27 887 010	0	0	0	0	0	0	0	0
State	3 583 680	3 950 144	0	0	0	0	0	0	0	0
Other (includes agricultural, municipal etc)	13 149 655	15 641 944	0	0	0	0	0	0	0	0
Property rates - penalties imposed and collection charges	550 041	1 055 446	0	0	0	0	0	0	0	0
Interest on:										
Investments	3 266 958	5 597 136	0	4 285	93	1 607	766	0	12 944	26 144
Receivables	4 679 567	6 371 406	0	1	78	18	3 378	2 689	4 530	7 352
Dividends	23 021	21 307	0	0	0	0	0	0	9	13
Fines, penalties and forfeits	373 633	558 677	1 284	5 386	235	59	58 420	414 244	25 933	48 928
Licences and permits	109 791	76 940	6 446	7 755	6 355	7 475	6 965	9 078	15 385	12 781
Agency services	495 971	490 541	0	0	0	0	8 589	9 623	6 658	10 521
Rental	1 031 305	1 185 993	2 710	2 702	140 680	179 408	65 136	70 002	117 292	110 619
Sales of goods and rendering of services	833 094	1 047 362	8 817	8 861	74 363	92 399	173 794	153 941	463 951	506 768
Gains on the disposal of assets	666 169	689 374	72	1 286	723	828	3 946	2 463	22 707	60 796
Government transfers and subsidies:										
Capital	6 970 839	8 871 632	37 582	199 630	290 364	212 473	530 601	460 854	5 597 249	6 265 950
Operational	59 614 842	65 231 355	1 337 906	1 139 850	263 437	210 446	1 441 421	1 507 244	2 676 416	3 776 769
Other transfers and subsidies (incl. contributions and donations)	1 796 413	1 039 904	18	0	28 399	31 526	6 879	61 920	144 146	141 488
Operational revenue	17 425 745	17 432 034	8 015	19 933	89 363	61 982	48 107	202 590	759 193	866 962
Deficit	10 442 683	6 537 290	4 893 211	5 309 827	9 484 868	8 979 001	8 703 228	9 643 081	7 129 156	8 183 462
Total revenue	187 959 455	201 937 002	6 296 061	6 699 516	10 378 958	9 777 222	11 051 230	12 537 729	16 975 569	20 018 553

* 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 2022 and 30 June 2023: Revenue (concluded)

Revenue	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	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	0	0	221	685	0	0
Receivables	25 903	0	1 934	2 314	1 969	1 664	0	0
Dividends	0	0	0	0	0	0	0	0
Fines, penalties and forfeits	4 220 207	4 833 376	51 602	20 856	52 895	183 719	0	0
Licences and permits	120 138	216 970	29 947	12 902	19 248	17 928	0	0
Agency services	470 161	469 376	5 673	6 313	308 898	346 368	0	0
Rental	1 284	1 344	751	1 031	15 145	18 117	239	449
Sales of goods and rendering of services	18 964	29 656	128 751	156 515	3 411	3 931	3 109	2 877
Gains on the disposal of assets	55 028	72	43	421	179	85	0	0
Government transfers and subsidies:								
Capital	47 354	57 314	38 566	28 723	26 942	15 539	39 635	13 206
Operational	435 919	657 187	212 082	226 564	373 987	576 961	6 575	6 272
Other transfers and subsidies (incl. contributions and donations)	238 675	227 352	980	3 478	4 179	6 358	0	0
Operational revenue	409 918	606 848	33 865	42 170	2 206	14 346	0	2
Deficit	12 056 685	10 866 936	5 223 149	5 526 570	2 509 923	5 561 527	233 386	264 354
Total revenue	18 100 236	17 966 431	5 727 343	6 027 857	3 319 203	6 747 228	282 944	287 160

* 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 2022 and 30 June 2023: Expenditure

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	1 911 031	2 046 484	1 047 242	1 090 241	8 323 243	8 588 191	4 388 938	4 710 554
Finance costs	11 362	23 673	337	8 098	496 729	626 546	397 526	439 853
Loss on disposal of assets	8 063	3 927	84	2 777	1 539	5 082	14 803	35 650
Debt impairment	857 421	690 433	23 543	11 017	3 693 292	4 004 875	1 875 936	2 436 548
Contracted services								
Consultants and professional services	165 813	228 021	29 002	24 061	80 995	122 479	85 642	148 416
Contractors	890 850	864 407	42 105	44 493	859 713	820 486	2 043 892	2 109 043
Outsourced services	756 997	839 340	174 462	187 446	2 064 027	2 771 894	1 464 681	1 658 468
Operating leases								
Buildings and infrastructure	50 852	25 846	1	0	6 094	4 537	1 387	50
Computer, furniture and office equipment	4 693	5 566	107	359	920	803	810	929
Transport assets, machinery and equipment	7 028	13 775	483	592	198 084	1 137 529	31 545	90 694
Other	39 381	24 035	953	921	1 099 527	284 336	46 385	36 943
Inventory consumed	80 327	196 144	15 717	17 931	444 838	519 960	314 613	360 905
Depreciation, amortisation and impairment	1 171 289	1 125 740	69 023	80 396	950 553	943 947	2 464 559	2 695 910
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	108 867	212 778
Transfers and subsidies:								
Other local government institutions	0	0	3 258	0	0	0	0	25 633
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households	2 117	33 376	0	0	407	656	15 640	143 106
Non-profit institutions	1 357	0	514	607	0	0	0	0
Other	80 501	43 798	378	457	16 927	37 587	50	1 373

* 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 2022 and 30 June 2023: Expenditure (continued)

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs:								
Advertising, publicity and marketing	2 333	4 537	1 871	2 192	3 043	10 446	2 403	2 385
Bank charges, facility and card fees	266	109	0	0	65	77	409	355
Communication	6 027	4 802	930	1 338	5 012	3 404	8 836	7 534
Courier and delivery services	341	184	107	0	50	1	23	32
Entertainment	252	95	1	20	2 404	331	900	130
External audit fees	6 630	3 358	33	0	10 712	7 992	6 825	4 549
Hire charges	7 406	5 028	1 538	7 197	217 272	340 104	72 375	117 063
Insurance underwriting	17 298	18 782	929	551	4 694	17 137	14 050	16 825
Printing, publications and books	3 237	4 705	2 537	692	2 289	2 170	2 851	3 573
Professional bodies, membership and subscription	1 465	1 074	2 479	704	329	1 561	1 178	1 181
Transport	94	60	30	37	5 937	2 107	480	379
Travel and subsistence	2 103	4 041	2 049	3 224	9 578	12 281	4 136	4 849
Wet fuel	4 635	5 592	2 513	4 080	107 589	140 108	50 349	91 579
Other operational costs	925 885	1 077 027	63 696	65 830	1 347 087	1 125 428	645 387	622 066
Other expenditure	682 842	541 295	2	3 865	20 928	73 919	15 562	108 734
Taxation	0	0	0	0	0	0	0	0
Surplus	734 525	936 353	9 014	20 149	3 568 109	2 456 502	13 608 288	15 050 444
Total expenditure	8 434 421	8 771 607	1 494 938	1 579 275	23 541 986	24 062 476	27 689 326	31 138 531

* 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 2022 and 30 June 2023: Expenditure (continued)

Expenditure	Road transport		Water		Electricity		Other trading services	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee related costs	7 939 916	8 293 485	10 446 318	10 810 378	9 682 744	10 216 204	1 305 041	1 132 189
Finance costs	363 740	385 186	670 500	768 095	1 288 130	2 424 941	3 094	2 315
Loss on disposal of assets	88 429	894 427	122 780	206 923	84 905	112 890	5 013	2 097
Debt impairment	215 374	392 586	10 986 494	21 614 843	4 941 085	5 952 285	259 624	34 308
Contracted services								
Consultants and professional services	493 710	444 880	780 389	980 180	333 579	385 091	67 619	58 946
Contractors	3 564 350	4 064 984	2 593 164	3 125 809	2 162 699	2 664 171	91 192	89 061
Outsourced services	2 394 136	2 484 738	1 447 964	1 953 745	1 326 395	1 176 745	776 697	193 684
Operating leases								
Buildings and infrastructure	13 857	1 113	25	629	18 176	18 505	6 594	6 894
Computer, furniture and office equipment	2 194	2 619	1 287	1 253	3 686	3 462	1 420	885
Transport assets, machinery and equipment	30 658	90 200	36 168	145 626	8 096	76 225	13 669	47 690
Other	60 008	33 811	221 145	60 495	368 364	40 239	3 504	1 742
Inventory consumed	620 928	1 012 878	1 677 175	1 959 170	1 178 272	2 041 764	23 701	107 627
Depreciation, amortisation and impairment	9 400 227	10 188 377	4 907 502	5 726 508	4 316 989	4 772 023	160 588	154 941
Bulk purchases:								
Purchases of water	0	0	27 094 671	29 150 469	0	0	0	0
Purchases of electricity	0	0	0	0	111 489 725	114 021 258	0	0
Other bulk purchases	0	0	0	0	0	0	0	0
Transfers and subsidies:								
Other local government institutions	181 551	215 088	991	3 455	0	0	352	123
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households	39 274	46 680	38 303	42 982	25 801	54 763	773	1 408
Non-profit institutions	18 084	4 497	0	0	0	0	5 045	7 099
Other	96 972	68 280	549 474	1 442 692	22 461	19 230	134 604	133 320

* 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 2022 and 30 June 2023: Expenditure (concluded)

Expenditure	Road transport		Water		Electricity		Other trading services	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operational costs:								
Advertising, publicity and marketing	6 902	11 349	2 319	8 113	8 040	15 066	71 043	75 947
Bank charges, facility and card fees	5 020	5 020	235	126	3 819	3 828	14 414	17 782
Communication	38 869	27 636	47 205	39 914	67 488	62 486	3 529	3 764
Courier and delivery services	738	116	87	2 721	409	22	30	34
Entertainment	2 977	262	1 372	4	862	110	52	150
External audit fees	21 331	11 019	23 183	15 598	23 613	24 643	5 279	6 170
Hire charges	198 260	231 528	337 746	472 309	22 968	38 855	6 226	3 297
Insurance underwriting	77 397	73 763	49 510	54 116	113 156	127 000	3 912	9 481
Printing, publications and books	21 399	17 913	4 126	3 738	7 448	7 945	6 466	6 650
Professional bodies, membership and subscription	8 909	5 488	2 423	3 221	4 040	2 734	310	700
Transport	701	1 775	439	24 916	1 631	717	146	0
Travel and subsistence	29 334	33 503	45 828	54 474	15 812	22 734	8 909	9 497
Wet fuel	243 070	320 456	248 011	339 667	80 683	149 973	12 114	35 519
Other operational costs	2 695 320	3 282 840	4 434 139	2 846 563	2 907 204	3 240 701	529 714	644 475
Other expenditure	49 458	68 800	392 408	541 662	73 935	220 427	5 286	134
Taxation	0	0	0	0	0	0	0	19 173
Surplus	1 073 017	1 793 129	13 385 353	12 072 012	7 624 018	8 225 753	1 211 119	1 192 930
Total expenditure	29 996 110	34 508 426	80 548 734	94 472 406	148 206 233	156 122 790	4 737 079	4 000 032

* 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 2022 and 30 June 2023: Revenue

Revenue	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Interest on:								
Investments	5 655	8 449	0	339	23 604	29 808	6 560	26 004
Receivables	77 505	107 600	30 238	20 671	638 671	900 664	582 634	809 137
Dividends	0	0	0	0	0	105	60	112
Fines, penalties and forfeits	0	334	301	2 140	3 155	3 616	355	429
Licences and permits	115	25	9 784	12 495	1 258	572	1	0
Agency services	0	0	0	0	4 637	5 429	0	442
Rental	778 691	832 386	1 931	2 150	8 002	8 456	3 839	4 138
Sales of goods and rendering of services	88 733	22 521	15 266	15 640	18 786	14 765	17 783	1 652
Gains on the disposal of assets	56 570	457	4	2 631	2 627	30 111	17	110
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	13 250 019	14 033 656	0	0
Sewerage and sanitation charges	0	0	0	0	0	0	19 681 317	22 079 342
Other service charges (e.g. fresh produce market etc.)	0	0	0	0	0	0	0	0
Government transfers and subsidies:								
Capital	3 377 885	2 758 400	47 247	36 429	109 310	557 302	1 953 820	1 800 553
Operational	1 294 252	2 495 042	89 339	88 680	3 727 052	3 568 093	3 738 839	5 065 825
Other transfers and subsidies (incl. contributions and donations)	6 528	29 309	0	262	0	920	0	0
Operational revenue	793 616	602 119	21 728	24 603	396 101	441 522	269 253	174 020
Deficit	1 954 871	1 914 965	1 279 100	1 373 235	5 358 764	4 467 457	1 434 848	1 176 767
Total revenue	8 434 421	8 771 607	1 494 938	1 579 275	23 541 986	24 062 476	27 689 326	31 138 531

* 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 2022 and 30 June 2023: Revenue (concluded)

Revenue	Road transport		Water		Electricity		Other trading services	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Interest on:								
Investments	29 805	14 599	12 772	31 118	25 567	18 306	11 069	9 962
Receivables	7 906	6 135	2 607 647	4 697 657	890 176	1 412 050	1 900	20 447
Dividends	0	0	0	0	0	0	0	0
Fines, penalties and forfeits	128 938	123 451	189 538	6 080	79 237	54 249	663	639
Licences and permits	232 690	245 401	4 053	0	1 938	8	80 646	39 499
Agency services	733 959	643 247	2 011	2 424	0	0	486 012	555 413
Rental	130 553	140 850	18 232	21 038	12 971	12 523	193 416	240 900
Sales of goods and rendering of services	397 857	565 570	35 426	21 765	77 776	59 051	16 690	27 035
Gains on the disposal of assets	1 450	1 102	319 124	1 101	4 626	3 522	10	7
Service charges:								
Sales of water	0	0	48 973 989	54 209 182	0	0	0	0
Sales of electricity	0	0	0	0	130 433 484	132 101 898	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	1 418 385	1 815 583
Government transfers and subsidies:								
Capital	6 060 371	6 959 161	8 444 514	9 465 982	3 155 969	3 286 142	86 931	46 722
Operational	3 046 774	3 709 593	10 416 614	10 578 282	3 286 256	3 549 043	10 200	11 261
Other transfers and subsidies (incl. contributions and donations)	6 210	181 495	254 147	412 796	114 281	205 598	0	0
Operational revenue	587 289	1 067 326	363 359	537 698	584 685	1 648 448	775 000	493 559
Deficit	18 632 308	20 850 496	8 907 308	14 487 283	9 539 267	13 771 952	1 656 157	739 005
Total revenue	29 996 110	34 508 426	80 548 734	94 472 406	148 206 233	156 122 790	4 737 079	4 000 032

*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 2022 and 30 June 2023 – R million¹

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	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023
Eastern Cape	17 465	19 517	1 708	2 877	2 504	2 172	747	791	6 049	6 305	1 105	1 193	8 413	8 796	5 353	7 135	1 633	1 719	44 976	50 505
Free State	7 354	7 816	1 246	1 922	1 009	1 012	75	35	2 806	2 922	655	715	5 070	5 274	2 662	2 903	1 094	1 206	21 971	23 806
Gauteng	28 046	31 321	2 612	4 268	11 776	14 043	851	820	32 688	34 089	5 846	5 990	53 305	53 394	21 178	22 556	10 077	11 624	166 379	178 106
KwaZulu-Natal	24 959	28 188	1 490	2 818	8 192	8 698	209	95	14 958	17 453	1 541	1 720	22 809	23 713	8 497	9 299	2 016	2 294	84 669	94 279
Limpopo	15 359	16 940	862	1 249	2 172	1 819	70	92	2 041	2 206	388	401	3 581	3 566	1 448	1 726	350	350	26 272	28 350
Mpumalanga	10 352	11 586	1 116	1 560	1 697	2 306	135	321	3 552	3 711	726	778	4 931	5 016	1 890	1 848	590	641	24 990	27 767
North West	9 427	10 707	1 608	2 021	1 046	1 124	247	16	2 355	2 582	642	678	6 095	6 148	1 875	2 154	627	652	23 921	26 081
Northern Cape	3 376	3 568	432	655	543	612	208	35	1 346	1 424	280	305	2 056	2 034	696	743	327	353	9 262	9 731
Western Cape	12 448	13 791	1 877	2 758	10 006	11 156	59	137	13 884	15 039	2 068	2 253	24 174	24 160	5 375	5 843	2 967	3 240	72 860	78 378
South Africa	128 787	143 434	12 912	20 128	38 983	42 941	2 601	2 342	79 679	85 731	13 250	14 034	130 433	132 102	48 974	54 209	19 681	22 079	475 301	517 001

Table 6 – Municipal expenditure per province for the years ended 30 June 2022 and 30 June 2023 – R million¹

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	
	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023	2022*	2023
Eastern Cape	3 251	3 614	5 983	7 089	5 340	5 317	13 100	13 251	467	600	197	193	3 317	3 684	2 186	2 058	8 306	8 663	526	520	631	614	43 304	45 601
Free State	1 700	1 330	4 709	4 800	2 509	2 616	6 598	6 902	952	1 695	80	100	1 653	1 490	1 009	1 093	5 327	5 328	1 771	1 621	181	144	26 490	27 120
Gauteng	8 806	9 513	16 240	20 573	11 493	12 140	41 028	43 168	6 359	7 415	3 025	2 882	15 582	14 872	3 459	3 459	45 064	45 884	15 594	17 504	1 241	1 345	167 891	178 755
KwaZulu-Natal	10 853	11 847	6 060	5 952	6 572	6 701	22 039	23 377	1 237	1 522	310	324	5 729	6 303	4 075	4 768	18 794	19 814	5 434	5 329	847	1 001	81 950	86 938
Limpopo	3 403	3 384	2 548	2 516	2 722	2 643	6 676	6 995	293	391	137	147	2 702	2 600	1 564	2 255	2 876	2 922	781	810	210	173	23 911	24 837
Mpumalanga	2 924	2 953	3 030	4 207	2 406	2 461	7 225	7 594	1 090	1 817	95	104	1 816	1 953	1 822	1 787	5 588	5 592	836	903	337	707	27 169	30 077
North West	2 112	2 821	3 446	3 823	3 670	3 620	5 493	5 802	479	756	160	168	2 410	2 188	795	725	5 930	6 021	1 362	1 632	348	736	26 204	28 292
Northern Cape	569	735	865	1 141	988	925	2 971	3 090	303	487	49	63	955	854	599	755	1 927	1 959	240	242	64	57	9 529	10 309
Western Cape	10 145	11 675	4 191	4 719	4 941	5 090	22 532	22 897	1 404	1 475	410	395	3 209	3 842	3 112	3 592	17 678	17 840	549	589	674	646	68 844	72 759
South Africa	43 763	47 872	47 071	54 820	40 640	41 512	127 663	133 076	12 582	16 159	4 463	4 376	37 373	37 787	18 620	20 492	111 490	114 021	27 095	29 150	4 532	5 423	475 292	504 689

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 7 – Municipal major revenue streams per province for a five-year period, 2019-2023: R million¹

Province	Government transfers and subsidies received					Sales of electricity					Property rates					Sales of water				
	2019	2020	2021	2022*	2023	2019	2020	2021	2022*	2023	2019	2020	2021	2022*	2023	2019	2020	2021	2022*	2023
Eastern Cape	17 334	17 241	19 030	17 465	19 517	7 134	7 338	7 789	8 413	8 796	4 706	5 258	5 635	6 049	6 305	2 579	2 962	4 023	5 353	7 135
Free State	6 384	6 298	7 736	7 354	7 816	4 365	4 641	4 869	5 070	5 274	2 489	2 728	2 663	2 806	2 922	2 195	2 283	2 470	2 662	2 903
Gauteng	28 577	29 172	33 213	28 046	31 321	43 663	46 609	48 418	53 305	53 394	27 468	28 198	30 069	32 688	34 089	18 206	18 750	19 382	21 178	22 556
KwaZulu-Natal	20 778	22 976	25 566	24 959	28 188	18 783	20 196	20 594	22 809	23 713	13 321	13 686	14 370	14 958	17 453	6 110	6 965	8 261	8 497	9 299
Limpopo	13 534	14 337	16 803	15 359	16 940	2 767	3 143	3 199	3 581	3 566	1 668	1 882	1 904	2 041	2 206	975	1 704	1 078	1 448	1 726
Mpumalanga	8 527	8 997	10 538	10 352	11 586	4 070	4 326	4 600	4 931	5 016	3 051	3 021	3 410	3 552	3 711	1 538	1 762	1 811	1 890	1 848
North West	8 254	8 851	10 202	9 427	10 707	4 619	4 544	5 108	6 095	6 148	2 022	2 085	2 289	2 355	2 582	1 873	2 035	1 962	1 875	2 154
Northern Cape	3 039	3 100	3 433	3 376	3 568	1 669	1 868	1 890	2 056	2 034	1 166	1 307	1 302	1 346	1 424	642	677	688	696	743
Western Cape	10 862	11 299	12 109	12 448	13 791	19 067	20 898	21 161	24 174	24 160	13 748	12 981	13 215	13 884	15 039	4 825	4 739	4 787	5 375	5 843
South Africa	117 289	122 271	138 631	128 787	143 434	106 137	113 563	117 627	130 433	132 102	69 639	71 146	74 856	79 679	85 731	38 943	41 877	44 462	48 974	54 209

Table 8 – Municipal major expenditure streams per province for a five-year period, 2019-2023: R million¹

Province	Employee related costs					Purchases of electricity					Purchases of water					Debt impairment				
	2019	2020	2021	2022*	2023	2019	2020	2021	2022*	2023	2019	2020	2021	2022*	2023	2019	2020	2021	2022*	2023
Eastern Cape	11 143	11 837	13 187	13 100	13 251	5 962	6 518	7 041	8 306	8 663	594	601	308	526	520	2 762	3 528	4 467	5 983	7 089
Free State	5 628	6 096	6 298	6 598	6 902	3 225	4 396	4 662	5 327	5 328	1 774	1 846	1 615	1 771	1 621	2 836	2 959	2 930	4 709	4 800
Gauteng	33 912	38 973	40 628	41 028	43 168	32 328	36 408	38 699	45 064	45 884	13 784	14 640	14 649	15 594	17 504	12 882	17 117	14 738	16 240	20 573
KwaZulu-Natal	19 138	20 480	22 509	22 039	23 377	13 726	15 249	16 416	18 794	19 814	4 114	5 245	4 953	5 434	5 329	2 667	5 300	5 229	6 060	5 952
Limpopo	5 679	6 175	6 568	6 676	6 995	2 278	2 400	2 569	2 876	2 922	716	682	397	781	810	1 121	1 144	2 194	2 548	2 516
Mpumalanga	5 778	6 327	6 923	7 225	7 594	4 010	4 503	4 806	5 588	5 592	1 220	879	864	836	903	2 025	2 501	3 521	3 030	4 207
North West	4 680	5 073	5 360	5 493	5 802	4 290	3 914	4 517	5 930	6 021	1 583	1 580	1 358	1 362	1 632	2 445	3 444	2 437	3 446	3 823
Northern Cape	2 561	2 649	2 894	2 971	3 090	1 380	1 544	1 646	1 927	1 959	284	313	248	240	242	380	394	801	865	1 141
Western Cape	18 363	19 247	22 186	22 532	22 897	12 532	14 191	14 899	17 678	17 840	495	694	586	549	589	2 443	3 982	4 086	4 191	4 719
South Africa	106 882	116 857	126 552	127 663	133 076	79 731	89 123	95 255	111 490	114 021	24 564	26 480	24 978	27 095	29 150	29 561	40 369	40 402	47 071	54 820

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 9 – Employee related costs by province and municipal category, 2022 and 2023: R million!

Province	Category	2022*	2023	Difference
Western Cape	Metro	15 310	15 355	45
	Local	6 354	6 629	275
	District	868	912	44
Eastern Cape	Metro	6 197	6 186	-11
	Local	4 464	4 681	217
	District	2 440	2 384	-56
Northern Cape	Metro	0	0	0
	Local	2 684	2 789	105
	District	287	302	15
Free State	Metro	2 217	2 241	24
	Local	4 019	4 285	266
	District	362	376	14
KwaZulu-Natal	Metro	11 463	12 193	730
	Local	7 970	8 384	414
	District	2 606	2 801	195
North West	Metro	0	0	0
	Local	4 604	4 893	289
	District	889	909	20
Gauteng	Metro	37 031	38 930	1 899
	Local	3 511	3 731	220
	District	487	507	20
Mpumalanga	Metro	0	0	0
	Local	6 691	7 054	363
	District	533	540	7
Limpopo	Metro	0	0	0
	Local	4 683	4 930	247
	District	1 993	2 065	72

* Some figures have been revised.

† The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 10 – Purchases of electricity by province and municipal category, 2022 and 2023: R million¹

Province	Category	2022*	2023	Difference
Western Cape	Metro	11 562	11 812	250
	Local	6 116	6 027	-89
	District	0	0	0
Eastern Cape	Metro	6 300	6 642	342
	Local	2 006	2 021	15
	District	0	0	0
Northern Cape	Metro	0	0	0
	Local	1 927	1 959	32
	District	0	0	0
Free State	Metro	2 062	2 141	79
	Local	3 265	3 187	-78
	District	0	0	0
KwaZulu-Natal	Metro	12 053	12 740	687
	Local	6 716	7 050	334
	District	24	23	-1
North West	Metro	0	0	0
	Local	5 930	6 021	91
	District	0	0	0
Gauteng	Metro	39 729	40 401	672
	Local	5 335	5 482	147
	District	0	0	0
Mpumalanga	Metro	0	0	0
	Local	5 588	5 592	4
	District	0	0	0
Limpopo	Metro	0	0	0
	Local	2 876	2 922	46
	District	0	0	0

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 11 – Purchases of water by province and municipal category, 2022 and 2023: R million¹

Province	Category	2022*	2023	Difference
Western Cape	Metro	278	286	8
	Local	248	284	36
	District	23	19	-4
Eastern Cape	Metro	247	270	23
	Local	92	76	-16
	District	188	175	-13
Northern Cape	Metro	0	0	0
	Local	240	242	2
	District	0	0	0
Free State	Metro	835	815	-20
	Local	936	806	-130
	District	0	0	0
KwaZulu-Natal	Metro	3 495	3 487	-8
	Local	1 271	1 097	-174
	District	667	745	78
North West	Metro	0	0	0
	Local	1 339	1 613	274
	District	23	18	-5
Gauteng	Metro	13 681	15 065	1 384
	Local	1 914	2 439	525
	District	0	0	0
Mpumalanga	Metro	0	0	0
	Local	836	903	67
	District	0	0	0
Limpopo	Metro	0	0	0
	Local	199	192	-7
	District	582	618	36

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 12 – Sales of electricity by province and municipal category, 2022 and 2023: R million¹

Province	Category	2022*	2023	Difference
Western Cape	Metro	16 171	16 260	89
	Local	8 002	7 900	-102
	District	0	1	1
Eastern Cape	Metro	6 266	6 689	423
	Local	2 146	2 107	-39
	District	0	0	0
Northern Cape	Metro	0	0	0
	Local	2 056	2 034	-22
	District	0	0	0
Free State	Metro	2 713	2 728	15
	Local	2 358	2 546	188
	District	0	0	0
KwaZulu-Natal	Metro	14 881	15 523	642
	Local	7 926	8 189	263
	District	2	1	-1
North West	Metro	0	0	0
	Local	6 095	6 148	53
	District	0	0	0
Gauteng	Metro	47 396	47 474	78
	Local	5 909	5 920	11
	District	0	0	0
Mpumalanga	Metro	0	0	0
	Local	4 931	5 016	85
	District	0	0	0
Limpopo	Metro	0	0	0
	Local	3 581	3 566	-15
	District	0	0	0

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 13 – Sales of water by province and municipal category, 2022 and 2023: R million¹

Province	Category	2022*	2023	Difference
Western Cape	Metro	3 624	3 941	317
	Local	1 751	1 903	152
	District	0	0	0
Eastern Cape	Metro	3 950	5 572	1 622
	Local	323	406	83
	District	1 080	1 157	77
Northern Cape	Metro	0	0	0
	Local	696	743	47
	District	0	0	0
Free State	Metro	1 060	1 146	86
	Local	1 603	1 757	154
	District	0	0	0
KwaZulu-Natal	Metro	5 470	6 166	696
	Local	1 662	1 623	-39
	District	1 365	1 510	145
North West	Metro	0	0	0
	Local	1 875	2 154	279
	District	0	0	0
Gauteng	Metro	18 772	20 021	1 249
	Local	2 405	2 535	130
	District	0	0	0
Mpumalanga	Metro	0	0	0
	Local	1 890	1 848	-42
	District	0	0	0
Limpopo	Metro	0	0	0
	Local	573	604	31
	District	875	1 122	247

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 14 – Sewerage and sanitation charges by province and municipal category, 2022 and 2023: R million¹

Province	Category	2022*	2023	Difference
Western Cape	Metro	1 833	2 023	190
	Local	1 135	1 216	81
	District	0	1	1
Eastern Cape	Metro	1 193	1 264	71
	Local	138	162	24
	District	302	293	-9
Northern Cape	Metro	0	0	0
	Local	327	353	26
	District	0	0	0
Free State	Metro	401	474	73
	Local	693	732	39
	District	0	0	0
KwaZulu-Natal	Metro	1 295	1 530	235
	Local	454	470	16
	District	266	294	28
North West	Metro	0	0	0
	Local	627	652	25
	District	0	0	0
Gauteng	Metro	9 274	10 762	1 488
	Local	803	862	59
	District	0	0	0
Mpumalanga	Metro	0	0	0
	Local	590	641	51
	District	0	0	0
Limpopo	Metro	0	0	0
	Local	301	297	-4
	District	50	53	3

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 15 – Refuse removal charges by province and municipal category, 2022 and 2023: R million¹

Province	Category	2022*	2023	Difference
Western Cape	Metro	1 102	1 165	63
	Local	966	1 088	122
	District	0	0	0
Eastern Cape	Metro	678	722	44
	Local	427	471	44
	District	0	0	0
Northern Cape	Metro	0	0	0
	Local	280	305	25
	District	0	0	0
Free State	Metro	150	169	19
	Local	505	545	40
	District	0	0	0
KwaZulu-Natal	Metro	824	964	140
	Local	684	719	35
	District	33	37	4
North West	Metro	0	0	0
	Local	642	678	36
	District	0	0	0
Gauteng	Metro	5 271	5 391	120
	Local	575	600	25
	District	0	0	0
Mpumalanga	Metro	0	0	0
	Local	726	778	52
	District	0	0	0
Limpopo	Metro	0	0	0
	Local	388	401	13
	District	0	0	0

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

Table 16 – Property rates revenue by province and municipal category, 2022 and 2023: R million¹

Province	Category	2022*	2023	Difference
Western Cape	Metro	10 359	11 241	882
	Local	3 525	3 798	273
	District	0	0	0
Eastern Cape	Metro	4 353	4 530	177
	Local	1 695	1 775	80
	District	0	0	0
Northern Cape	Metro	0	0	0
	Local	1 346	1 424	78
	District	0	0	0
Free State	Metro	1 388	1 509	121
	Local	1 418	1 413	-5
	District	0	0	0
KwaZulu-Natal	Metro	9 834	11 935	2 101
	Local	5 124	5 519	395
	District	0	0	0
North West	Metro	0	0	0
	Local	2 355	2 582	227
	District	0	0	0
Gauteng	Metro	29 879	30 959	1 080
	Local	2 809	3 129	320
	District	0	0	0
Mpumalanga	Metro	0	0	0
	Local	3 552	3 711	159
	District	0	0	0
Limpopo	Metro	0	0	0
	Local	2 041	2 206	165
	District	0	0	0

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

**Table 17 – Government transfers and subsidies revenue by province and municipal category, 2022 and 2023:
R million¹**

Province	Category	2022*	2023	Difference
Western Cape	Metro	7 463	8 276	813
	Local	4 311	4 813	502
	District	674	703	29
Eastern Cape	Metro	3 887	4 970	1 083
	Local	7 199	8 022	823
	District	6 379	6 525	146
Northern Cape	Metro	0	0	0
	Local	2 932	3 099	167
	District	445	468	23
Free State	Metro	2 081	2 118	37
	Local	4 756	5 157	401
	District	517	541	24
KwaZulu-Natal	Metro	6 967	7 678	711
	Local	10 101	11 612	1 511
	District	7 890	8 897	1 007
North West	Metro	0	0	0
	Local	6 808	7 868	1 060
	District	2 619	2 840	221
Gauteng	Metro	24 127	26 881	2 754
	Local	3 367	3 833	466
	District	552	607	55
Mpumalanga	Metro	0	0	0
	Local	9 331	10 273	942
	District	1 021	1 314	293
Limpopo	Metro	0	0	0
	Local	9 598	10 565	967
	District	5 761	6 375	614

* Some figures have been revised.

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

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
COID 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 2023 and revised data for 2022 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 2023;
- 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 2022 and 2023 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 2022/2023 financial year. Ditsobotla local municipality did not respond at all (see technical notes on page ii) was imputed together with Masilonyana local municipality, which responded with unusable information. Unit and item imputation was done using the unweighted historic imputation method. Thus the same figures that were reported for 2022 were used for 2023 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 2023 is generally comparable with the publication for the year ended 30 June 2022.

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

Revised figures

Revised figures are mainly due to late submission of data to Stats SA, or respondents reporting revisions or corrections to their figures. Figures for 2023 are preliminary and subject to revision. mSCOA classifications also have an impact on the 2022 revised figures.

Fluctuations between 2022 and 2023

The fluctuations in the data between 2022 and 2023 can be due to:

- municipalities acquiring or disestablishing entities; and/or
- mSCOA classifications.

Rounding-off of figures

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

Glossary of selected variables

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

Contractors	Contractors are required to provide services that are not the core business of the municipality. It is normally not cost effective to maintain these skills within the department. Contractors include costs associated with the use of contracted individuals or businesses on projects or tasks. This does not include amounts payable to contractors in respect of provision of services such as cleaning and security even if a staff element can be identified. Note also that it is common practice that the said contractor provides all the materials required for the project – the tenders are for the whole project, materials included.
Current ratio	The current ratio is calculated as current assets divided by current liabilities. This ratio measures the extent to which current or short-term assets can be disposed to liquidate the current or short-term liabilities.
Current expenditure	Current expenditure refers to transactions that decrease the net worth of the institution, including interest paid, compensation of employees, grants and subsidies paid and depreciation, but excluding the acquisition of fixed capital. It consists of the total expenditure of rates and general services (excluding the surplus) and the total expenditure of housing and trading services (excluding the surplus).
Debt impairment	Impaired debt is debt of any kind that is unlikely to be paid in full. This results in a loss of value of the amounts that an entity has pending to claim from its customers for the goods or services delivered.
Depreciation, amortisation and impairment	<p>Depreciation is the systematic allocation of the cost of an asset from the statement of financial position to depreciation expense on the statement of financial performance over the useful life of the asset.</p> <p>Amortisation is the systematic allocation of the discount, premium or issue cost of a financial instrument over the life of the instrument, or an intangible asset over a certain period.</p> <p>Impairment is a permanent reduction in the value of an asset. It may occur as a result of an unusual or one-time event, such as a change in legal or economic conditions, a change in consumer demand, or damage that impacts an asset.</p>
District municipality	District municipality refers to a municipality that has a municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category C municipality (refer to the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)).
Donation and public contribution reserve	<p>When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/deficit to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/deficit.</p> <p>The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions. When an item of property, plant and equipment financed from government grants is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/deficit.</p>
Employee-related costs	<p>Employee-related costs include payment to full-time and part-time employees irrespective of whether the remuneration is paid out of revenue capital or any other account.</p> <p>Employee-related costs also include:</p> <ul style="list-style-type: none">• basic compensation;• allowances;

- contributions to other benefit funds of employees such as medical aid, pension fund contributions, group life, etc. (excluding unemployment insurance and workmen's compensation, etc. which may be looked upon as a form of insurance and would appear under general expenditure), and other benefits such as housing subsidies; and
- uniform and clothing allowances (clothing, boots, overalls etc. supplied to uniformed employees).

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: [International accounting Standards (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. <p>Provision includes:</p> <ul style="list-style-type: none"> • bad debts; and • leave payouts.

Public corporations	<p>Public corporations comprise public non-financial corporations and public financial corporations.</p> <p>Public non-financial corporations consist of residential non-financial corporations and quasi corporations that are subject to control by government units which sell industrial or commercial goods and services to the public on a large scale. Public financial corporations consist of all corporations, quasi-corporations, and non-profit institutions (NPIs) principally engaged in financial intermediation or in auxiliary financial activities closely related to financial intermediation.</p>
Reserve	<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 12 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, 2024	June 2025

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