



MID-YEAR FINANCIAL
REPORT ENDED 31
DECEMBER 2021



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PART 1 – MID-YEAR FINANCIAL REPORT

1.1 CHAIRPERSON'S REPORT

Introduction

The purpose of this report is to inform the Board of Directors of the Entity's Mid-Year performance as at 31 December 2021 against the approved budget in compliance with Section 88(1) & 168(1) of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing a statement on the implementation of the budget and financial state of affairs of the Entity to the Parent Municipality, as legislated.

Background

The entity's revenue sources have experienced a decline during the current and past few years. This downward movement is mainly attributed to the constraints on supply by Eskom, customers heeding to energy conservation and the economic downturn due to Covid19. The entity has also witnessed a gradual migration of high consumption customers towards alternative energy sources. Accordingly, revenue for the period under review is projecting a slow to negative revenue growth from initially projected at the beginning of the financial year.

Expenditure, mainly bulk purchases and repairs & maintenance is higher than originally budgeted. Bulk purchases actual expenditure for 6 months is higher than the budgeted amount due to actual expenditure including two winter months which is significantly higher than the 12 month straightlined budget across 6 months. Load shedding had a negative impact on equipment requiring more repairs & maintenance. Late start of capital refurbishment projects contributed to the under expenditure for the year to date which cushioned the expenditure to date.

Section 88 (1) of the Municipal Finance Management Act indicate that

The Accounting Officer of a municipal entity must by 20 January of each year –

- (a) Assess the performance of the entity during the first half of the financial year, taking into account-
 - (i) The monthly statements referred to in section 87 for the first half of the financial year and the targets set in the service delivery, business plan or other agreement with the entity's parent municipality; and
 - (ii) The entity's annual report for the past year and progress on resolving problems identified in the annual report; and
- (b) Submit a report on such assessment to –
 - (i) The board of directors of the entity; and
 - (ii) The parent municipality of the entity
- (c) A report referred to in subsection (1) must be made public

Overview

The summary below provides an overview of the budget and financial state of affairs of the Entity for the mid-year (six months).

Centlec (SOC) Ltd - Table F1 Monthly Budget Statement Summary - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly Actuals	YTD Actuals	YTD Budget	YTD Variance %	YTD Variance	Full Year Forecast
R thousands								
Financial Performance								
Property rates								
Service charges	2 660 509	3 165 360	207 949	1 502 001	1 582 680	(81)	-5%	3 165 360
Investment revenue	638	640	70	340	320	20	6%	640
Transfers recognised - operational								
Other own revenue	44 883	36 823	2 646	18 558	18 411	147	1%	36 823
contributions)	2 706 030	3 202 823	210 665	1 520 899	1 601 411	(80 512)	-5%	3 202 823
Employee costs	396 685	379 702	34 287	238 290	189 852	48 438	26%	379 702
Remuneration of Board Members	826	982	5	112	491	(379)	-77%	982
Depreciation and asset impairment	231 868	73 461	18 985	113 033	36 731	76 302	208%	73 461
Finance charges	12 018	59	5	29	29	(0)	0%	59
Materials and bulk purchases	1 791 261	2 039 583	147 718	1 310 964	1 019 791	291 172	29%	2 039 583
Transfers and grants		120 000			60 000	(60 000)	-100%	120 000
Other expenditure	346 271	210 619	17 280	100 577	105 310	(4 733)	-4%	210 619
Total Expenditure	2 778 929	2 824 407	218 280	1 763 005	1 412 204	350 801	25%	2 824 407
Surplus/(Deficit)	(72 899)	378 416	(7 615)	(242 106)	189 207	(431 313)	-228%	378 416
Transfers recognised - capital	43 761	20 466			10 233	(10 233)	-100%	20 466
Contributions & Contributed assets	7 081	13 000	392	1 956	6 500	(4 544)	-70%	13 000
contributions	(22 058)	411 882	(7 223)	(240 150)	205 940	(446 089)	-217%	411 882
Taxation								
Surplus/ (Deficit) for the year	(22 058)	411 882	(7 223)	(240 150)	205 940	(446 089)	-217%	411 882
Capital expenditure & funds sources								
Capital expenditure	129 106	217 752	2 785	61 967	108 876	(46 909)	-43%	217 752
Transfers recognised - capital	58 993	33 466	171	19 907	16 733	3 174	19%	33 466
Internally generated funds	70 113	184 286	2 615	42 060	92 143	(50 083)	-54%	184 286
Total sources of capital funds	129 106	217 752	2 785	61 967	108 876	(46 909)	-43%	217 752
Financial position								
Total current assets	3 639 202	1 013 077		32 197				1 013 077
Total non current assets	7 709 656	8 384 320		(51 066)				8 384 320
Total current liabilities	5 585 623	864 275		245 083				864 275
Total non current liabilities	1 414 886	1 628 688		29				1 628 688
Community wealth/Equity	4 348 349	6 904 434		(263 982)				6 904 434
Cash flows								
Net cash from (used) operating	216 025	115 540	22 613	98 064	57 770	40 294	70%	115 540
Net cash from (used) investing	(164 284)	(211 097)	(11 782)	(71 933)	(105 549)	33 616	-32%	(211 097)
Net cash from (used) financing	(4 333)	(124 230)			(62 115)	62 115	-100%	(124 230)
Cash/cash equivalents at the year end	60 963	(144 686)	10 832	26 131	(109 894)	136 024	-124%	(206 232)

Conclusion

Based on the details as outline above and in terms of the Section 88(1) of the MFMA, it is recommended that Council approves the Mid-Year Financial Report as contained herein, together with the resolutions as contained here below.

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Chairperson of the Board

1.2 RESOLUTIONS

In terms of Section 88(1) of the Act the information for the Mid-Year Financial Report be tabled as set out in the following Budget Statement Tables:

- (a)** Table F1 – Monthly Budget Statement Summary
- (b)** Table F2 – Financial Performance (Revenue and Expenditure)
- (c)** Table F3 – Capital Expenditure Budget by Vote and Funding
- (d)** Table F4 – Financial Position
- (e)** Table F5 – Cash flows Statements

1.3 EXECUTIVE SUMMARY

The Mid-Year Financial Report was compiled in accordance with Section 88(1) and in the prescribed format required by the Act. This Report is based upon financial information, as at 31 December 2021. All variances are calculated against the approved budget figures. The results for the six months ended 31 December 2021 are summarised as follows:

1.3.1 Statement of Financial Performance (Table F2)

The Statement of Financial Performance in **Table F2** is prepared on a similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The summary report indicates the following:

The actuals performance for the mid-year (excluding capital transfers and contributions) on the operating budget can be summarised as follows:

Details	Yearly Budget	Mid Year Budget Allocation	Mid-Year Actuals	Mid Year Variance (R)	Mid Year Variance %	Year Actuals	YTD Variance	YTD Variance %
	R"000	R"000	R"000	R"000	R"000	R"000	R"000	R"000
Revenue by Source	3 202 823	1 601 411	1 520 899	80 512	5.0%	1 520 899	1 681 924	53%
Expenditure by Type	2 824 407	1 412 203	1 763 005	(350 802)	-24.8%	1 763 005	1 061 402	38%
Surplus / (Deficit)	378 416	189 208	(242 106)	431 314	228.0%	(242 106)	620 522	164%

Notes:

- A** – Unfavourable variance of R 80,512 million against the mid-year budget allocation mainly due to energy conservation by customers, constraints on supply by Eskom and the economic downturn due to Covid19.
- B** – Unfavourable variance of R 350,802 million against the mid-year budget allocation. The variance is due to overspending on operational line items.

Table F2: with the detailed cumulative year to date performance for the financial year outlined below:

Centlec (SOC) Ltd - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Property rates								
Service charges - electricity revenue	2 660 509	3 165 360	3 165 360	1 502 001	1 582 680	(80 679)	-5.1%	1
Interest earned - external investments	638	640	640	340	320	20	6.4%	2
Interest earned - outstanding debtors	23 122	25 094	25 094	11 305	12 547	(1 242)	-9.9%	3
Fines, penalties and forfeits	2 592	1 830	1 830	1 464	915	549	60.0%	4
Other revenue	15 367	9 898	9 898	3 426	4 949	(1 523)	-30.8%	5
Gains on disposal of PPE	3 803	1	1	2 363	1	2 363	457852.6%	6
contributions	2 706 030	3 202 823	3 202 823	1 520 899	1 601 411	(80 512)	-5.0%	
Expenditure By Type								
Employee related costs	396 685	379 702	379 702	238 290	189 852	48 438	25.5%	7
Remuneration of Directors	826	982	982	112	491	(379)	-77.2%	8
Debt impairment (Non-Cash)	17 791	10 358	10 358	5 179	5 179		0.0%	
Depreciation & asset impairment (Non-Cash)	231 868	73 461	73 461	113 033	36 731	76 302	207.7%	9
Finance charges (Non-Cash)	12 018	59	59	29	29	-1	0.0%	
Bulk purchases	1 756 201	2 002 153	2 002 153	1 290 909	1 001 076	289 832	29.0%	10
Other materials (Inventory)	35 060	37 430	34 479	20 055	18 715	1 340	7.2%	11
Contracted services	92 359	123 737	126 395	58 513	61 869	(3 355)	-5.4%	12
Transfers and subsidies (Dividends)		120 000	120 000		60 000	(60 000)	-100.0%	13
Other expenditure	230 640	76 408	76 701	36 281	38 204	(1 923)	-5.0%	14
Loss on disposal of PPE	5 481	116	116	603	58	545	939.7%	
Total Expenditure	2 778 929	2 824 407	2 824 407	1 763 005	1 412 204	350 801	24.8%	
Surplus/(Deficit)	(72 899)	378 416	378 416	(242 106)	189 207	(431 313)	-228.0%	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	43 761	20 466	20 466		10 233	(10 233)	-100.0%	
allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	7 081	13 000	13 000	1 956	6 500	(4 544)	-69.9%	
Transfers and subsidies - capital (in-kind - all)								
Surplus/(Deficit) before taxation	(22 058)	411 882	411 882	(240 150)	205 940	(446 089)	-216.6%	
Taxation								
Surplus/(Deficit) for the year	(22 058)	411 882	411 882	(240 150)	205 940	(446 089)	-216.6%	

The major revenue YTD variances against the budget are:

1. Service charges- electricity revenue

Unfavourable variance of R 80,679 million equivalent to (51%) of the year to date budget. The variance is due to electricity conservation by customers, constraints on supply by Eskom and the economic downturn due to Covid19.

2. Interest on Bank Accounts & Investments

Favourable variance of R 20,000 equivalent to (6.4%) of the year to date budget. The amount received for interest on bank and investment was higher than the anticipated budget.

3. Interest on Outstanding Debtors

Unfavourable variance of R 1,242 million equivalent to (9.9%) of the year to date budget. The variance is due to reversals on estimates and subsequent interest on arrears corrections.

4. Fines

Unfavourable variance of R 549,000 equivalent to (60%) of the year to date budget. This line item is dependent on fines imposed. Less fines were issued than anticipated. More stringent credit control measures will be put in place to ensure that levied fines are followed up and paid.

FINES	Yearly Budget	Mid Year Budget Allocation	Mid-Year Actuals	Mid Year Variance (R)	Mid Year Variance %	YTD Actuals	YTD Variance	YTD Variance %
FINES: ILLEGAL CONNECTIONS ELECTRICITY	1 829 923	914 962	1 464 096	-549 135	-60%	1 464 096	365 827	20%
TOTAL FINES	1 829 923	914 962	1 464 096	-549 135	-60%	1 464 096	365 827	20%

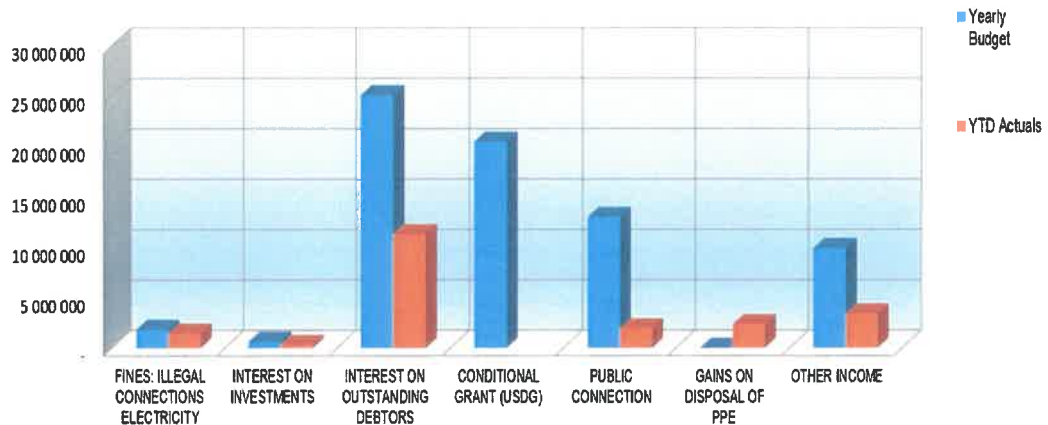
5. Other Revenue

5.1 The following table indicates **INCOME AND GRANTS** received for the mid-year ended 31 December 2021.

Description	Yearly Budget	Mid Year Budget Allocation	Mid Year Actuals	Mid Year Variance (R)	Mid Year Variance %	YTD Actuals	YTD Variance %
FINES: ILLEGAL CONNECTIONS ELECTRICITY	1 829 923	914 962	1 464 096	-549 135	-60%	1 464 096	20%
INTEREST ON INVESTMENTS	639 585	319 793	340 111	-20 318	-6%	340 111	47%
INTEREST ON OUTSTANDING DEBTORS	25 093 802	12 546 901	11 304 516	1 242 385	10%	11 304 516	55%
CONDITIONAL GRANT (USDG)	20 466 030	10 233 015		10 233 015	100%		100%
PUBLIC CONNECTION	13 000 000	6 500 000	1 956 437	4 543 563	70%	1 956 437	85%
GAINS ON DISPOSAL OF PPE	1 035	518	2 363 035	-2 362 518	-456525%	2 363 035	-228213%
OTHER INCOME	9 898 230	4 949 115	3 426 482	1 522 633	31%	3 426 482	65%
TOTAL OTHER REVENUE	70 928 605	35 464 303	20 854 676	14 609 626	41%	20 854 676	71%

5.2 The following table indicates **OTHER INCOME** received for the mid-year ended 31 December 2021.

Other Revenue By Source as at 31 December 2021



6. Gains on disposal of PPE

This will be realised when the auction takes place towards the end of the current financial year.

The major Expenditure YTD variances against the budget are:

7. Employee related Cost

Unfavourable variance of R 48,438 million equivalent to (25.5%) of the year to date budget. The variance is due to increments on third parties and salary increases and SALGA agreed upon once off remuneration payments.

8. Remuneration of Directors

Favourable variance (Savings) of R 379,000 equivalent to (77.2%) of the year to date budget.

9. Depreciation & asset impairment

Unfavourable variance of R 76,302 million equivalent to (207.7%) of the year to date budget. The variance is due to the budget cuts made to non-cash items.

10. Bulk Purchases

Unfavourable variance of R 289,832 million equivalent to (29%) of the year to date budget. The variance is due to energy conservation by customers, constraints on supply by Eskom and the economic downturn due to Covid19.

11. Other material (Inventory)

Unfavourable variance of R 1,340 million equivalent to (7.2%) of the year to date budget. This is based on the financial performance.

12. Contracted Services

Favourable variance (Savings) of R 3,355 million equivalent to (5.4%) of the year to date budget.

13. Contribution to MMM

Favourable variance (Savings) of R 60,000 million equivalent to (100%) of the year to date budget. The entity has not yet made cash contributions to the Parent Municipality for the period under review. This contribution benefit will be set off against the MMM receivable at year end.

14. Other Expenditure

Unfavourable variance of R 1,923 million equivalent to (5%) of the year to date budget.

The table below indicates the Operating expenditure for the month ending 31 December 2021

Detail	Yearly Budget	Mid Year Budget Allocation	Mid Year Actuals	Mid Year Variance (R)	Mid Year Variance %	YTD Actuals	YTD Variance	YTD Variance %
EMPLOYEE RELATED COSTS	379 701 890	189 850 945	238 290 210	-48 439 265	-26%	238 290 210	141 411 680	37%
REMUNERATION OF DIRECTORS	982 439	491 220	112 037	379 183	77%	112 037	870 402	89%
DEBT IMPAIRMENT (NON-CASH)	10 358 299	5 179 150	5 179 151	-2	0%	5 179 151	5 179 148	50%
DEPRECIATION & ASSET IMPAIRMENT (NON-CASH)	73 461 276	36 730 638	113 032 864	-76 302 226	-208%	113 032 864	-39 571 588	-54%
FINANCE CHARGES (NON-CASH)	58 864	29 432	29 431	1	0%	29 431	29 433	50%
BULK PURCHASES	2 002 152 946	1 001 076 473	1 290 908 967	-289 832 494	-29%	1 290 908 967	711 243 979	36%
OTHER MATERIALS (INVENTORY)	37 429 990	18 714 995	20 054 797	-1 339 802	-7%	20 054 797	17 375 193	46%
CONTRACTED SERVICES	123 737 066	61 868 533	58 513 037	3 355 496	5%	58 513 037	65 224 029	53%
CONTRIBUTION TO THE PARENT MUNICIPALITY	120 000 000	60 000 000		60 000 000	100%		120 000 000	100%
OPERATIONAL COST	76 407 804	38 203 902	36 281 199	1 922 703	5%	36 281 199	40 126 605	53%
LOSS ON DISPOSAL OF PPE	116 077	58 039	603 405	-545 366	0%	603 405	-487 328	0%
TOTAL OPERATING EXPENDITURE	2 824 406 651	1 412 203 326	1 763 005 097	-350 801 771	-25%	1 763 005 097	1 061 401 554	38%

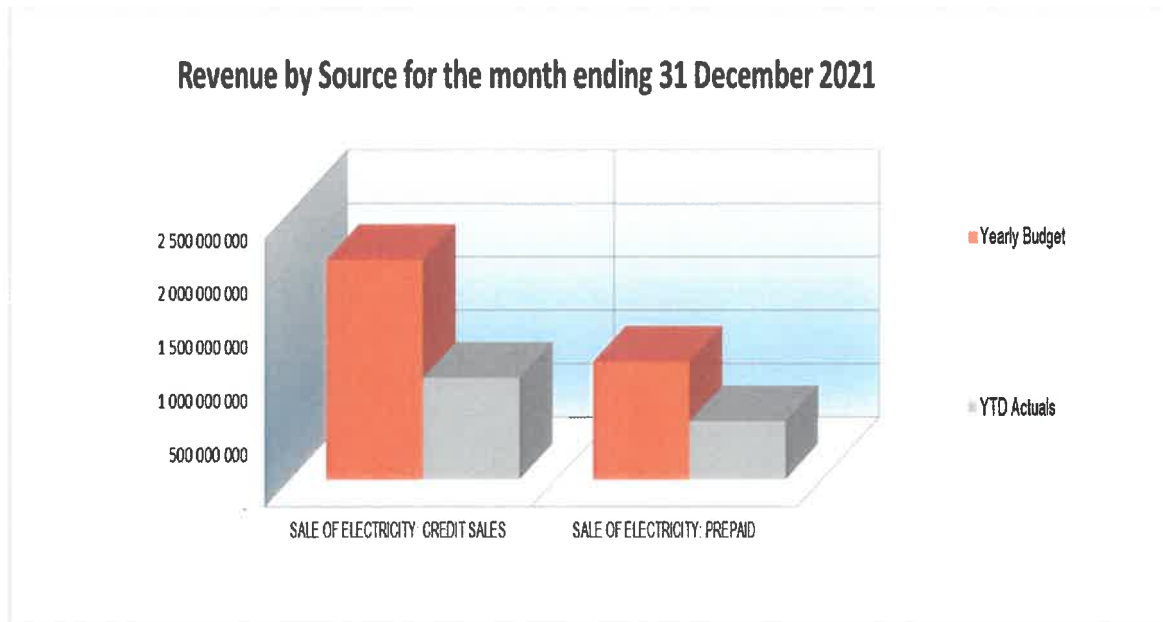
1.3.1 REVENUE AND EXPENDITURE

1.3.1.1 Revenue by Source for the mid-year ended 31 December 2021

An amount of R 1,502 billion was billed for the year to date compared to the annual budget of R 3,165 billion

Details	Yearly Budget	Mid Year Budget Allocation	Mid Year Actuals (Billed)	Mid Year Variance (R)	Mid Year % Variance	YTD Actuals	YTD Variance	YTD Variance %
SALE OF ELECTRICITY: CREDIT SALES	2 058 973 252	1 029 486 626	955 102 213	74 384 413	7.2%	955 102 213	1 103 871 039	54%
SALE OF ELECTRICITY: PREPAID	1 106 386 912	553 193 456	546 898 692	6 294 764	1.1%	546 898 692	559 488 220	51%
TOTAL INCOME	3 165 360 164	1 582 680 082	1 502 000 905	80 679 177	5.1%	1 502 000 905	1 663 359 259	53%

The following chart compares the year to date actual revenue against the yearly budget:



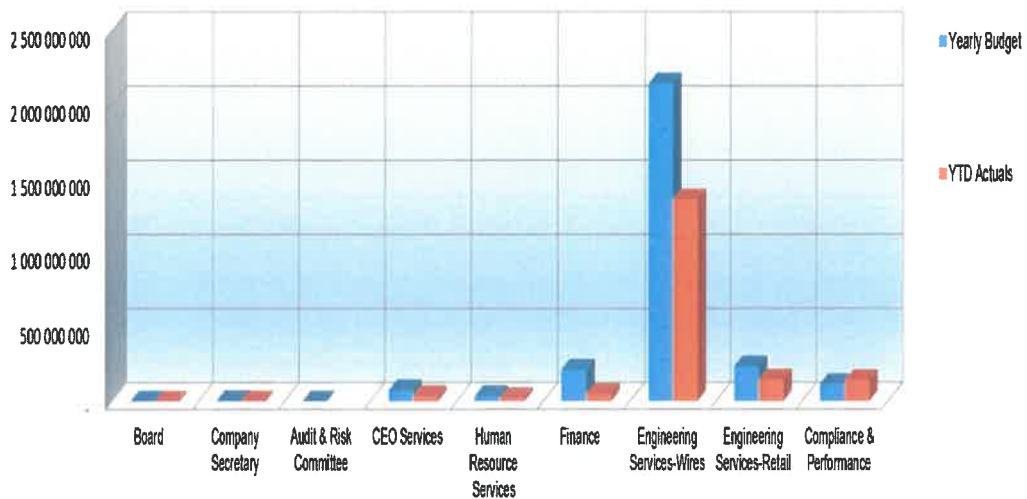
1.3.1.2 Expenditure per Department for the mid-year ended 31 December 2021

Refer to the expenditure per Department table below:

Detail	Yearly Budget	Mid Year Budget Allocation	Mid Year Budget Actuals	Mid Year Variance (R)	Mid Year Variance %	YTD Actuals	YTD Variance	YTD Variance %
BOARD	1 107 551	553 776	112 037	441 739	80%	112 037	995 514	90%
COMPANY SECRETARY	4 063 438	2 031 719	1 297 818	733 901	36%	1 297 818	2 765 620	68%
AUDIT & RISK COMMITTEE	383 157	191 579		191 579	100%		383 157	100%
CEO SERVICES	75 602 559	37 801 280	37 996 726	-195 447	-1%	37 996 726	37 605 833	50%
HUMAN RESOURCE SERVICES	36 051 196	18 025 598	22 893 056	-4 867 458	-27%	22 893 056	13 158 140	36%
FINANCE	212 295 377	106 147 689	49 460 544	56 687 145	53%	49 460 544	162 834 833	77%
ENGINEERING SERVICES-RETAIL	2 144 298 547	1 072 149 274	1 361 875 044	-289 725 771	-27%	1 361 875 044	782 423 503	36%
ENGINEERING SERVICES-WIRES	235 469 978	117 734 989	146 883 933	-29 148 944	-25%	146 883 933	88 586 045	38%
COMPLIANCE & PERFORMANCE	115 134 848	57 567 424	142 485 939	-84 918 515	-148%	142 485 939	-27 351 091	-24%
TOTAL OPERATING EXPENDITURE	2 824 406 651	1 412 203 326	1 763 005 097	-350 801 771	-25%	1 763 005 097	1 061 401 554	38%

The following chart compares the mid-year actual expenditure per Department against the mid-year budget:

Operating Expenditure Per Department as at 31 December 2021

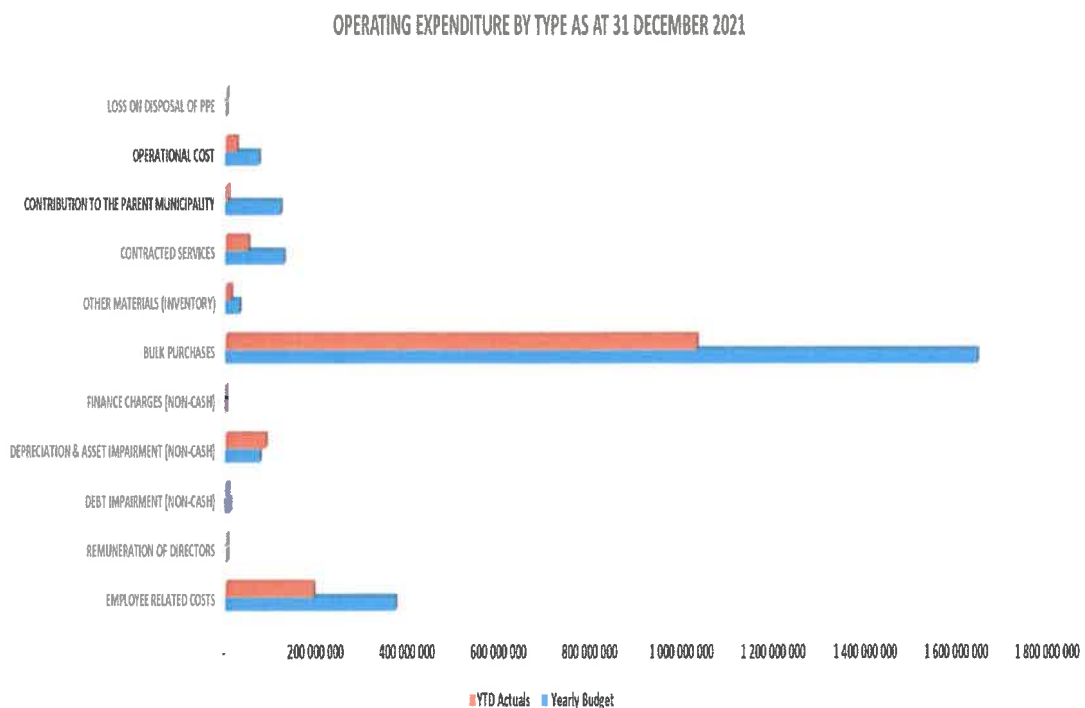


1.3.1.3 Expenditure per TYPE for the Mid-Year ended 31 December 2021

Refer to the expenditure per Type table below

Detail	Yearly Budget	Mid Year Budget Allocation	Mid Year Actuals	Mid Year Variance (R)	Mid Year Variance %	YTD Actuals	YTD Variance	YTD Variance %
EMPLOYEE RELATED COSTS	379 701 890	189 850 945	238 290 210	-48 439 265	-26%	238 290 210	141 411 680	37%
REMUNERATION OF DIRECTORS	982 439	491 220	112 037	379 183	77%	112 037	870 402	89%
DEBT IMPAIRMENT (NON-CASH)	10 358 299	5 179 150	5 179 151	-2	0%	5 179 151	5 179 148	50%
DEPRECIATION & ASSET IMPAIRMENT (NON-CASH)	73 461 276	36 730 638	113 032 864	-76 302 226	-208%	113 032 864	-39 571 588	-54%
FINANCE CHARGES (NON-CASH)	58 864	29 432	29 431	1	0%	29 431	29 433	50%
BULK PURCHASES	2 002 152 946	1 001 076 473	1 290 908 967	-289 832 494	-29%	1 290 908 967	711 243 979	36%
OTHER MATERIALS (INVENTORY)	37 429 990	18 714 995	20 054 797	-1 339 802	-7%	20 054 797	17 375 193	46%
CONTRACTED SERVICES	123 737 066	61 868 533	58 513 037	3 355 496	5%	58 513 037	65 224 029	53%
CONTRIBUTION TO THE PARENT MUNICIPALITY	120 000 000	60 000 000		60 000 000	100%		120 000 000	100%
OPERATIONAL COST	76 407 804	38 203 902	36 281 199	1 922 703	5%	36 281 199	40 126 605	53%
LOSS ON DISPOSAL OF PPE	116 077	58 039	603 405	-545 366	0%	603 405	-487 328	0%
TOTAL OPERATING EXPENDITURE	2 824 406 651	1 412 203 326	1 763 005 097	-350 801 771	-25%	1 763 005 097	1 061 401 554	38%

The following chart compares the actual expenditure by type against the yearly budget:



1.3.2 CASH FLOW FOR THE MID-YEAR ENDED 31 DECEMBER 2021 (Table F5)

Centlec (SOC) Ltd - Table F5 Monthly Budget Statement - Cash Flows - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates								
Service charges	2 668 052	2 841 853	241 223	1 809 947	1 420 926	389 021	27.4%	2 841 853
Other revenue	13 982	11 379	100	2 449	5 689	(3 241)	-57.0%	11 379
Government - operating								
Government - capital	69 433	33 466			16 733	(16 733)	-100.0%	33 466
Interest (Bank & Investments)	17 086	29 308	633	4 286	14 654	(10 368)	-70.8%	29 308
Dividends								
Payments								
Suppliers and employees	(2 432 471)	(2 680 406)	(219 342)	(1 712 829)	(1 340 203)	(372 626)	27.8%	(2 680 406)
Finance charges	(57)	(59)		(5 789)	(29)	(5 760)	19569.8%	(59)
Dividends paid	(120 000)	(120 000)			(60 000)	60 000	-100.0%	(120 000)
Transfers and Grants								
NET CASH FROM/(USED) OPERATING ACTIVITIES	216 025	115 540	22 613	98 064	57 770	40 294	69.7%	115 540
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	349	122			61	(61)	-100.0%	122
Decrease (increase) in non-current debtors								
Decrease (increase) other non-current receivables								
Decrease (increase) in non-current investments								
Payments								
Capital assets	(164 633)	(211 219)	(11 782)	(71 933)	(105 610)	33 676	-31.9%	(211 219)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(164 284)	(211 097)	(11 782)	(71 933)	(105 549)	33 616	-31.8%	(211 097)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans								
Borrowing long term/refinancing								
Increase (decrease) in consumer deposits	(4 333)	(124 230)			(62 115)	62 115	-100.0%	(124 230)
Payments								
Repayment of borrowing (MMM)								
NET CASH FROM/(USED) FINANCING ACTIVITIES	(4 333)	(124 230)			(62 115)	62 115	-100.0%	(124 230)
NET INCREASE/ (DECREASE) IN CASH HELD	47 407	(219 787)	10 832	26 131	(109 894)	136 024	-123.8%	(219 787)
Cash/cash equivalents at the year begin:	13 556	75 102						13 556
Cash/cash equivalents at the year end:	60 963	(144 686)	10 832	26 131	(109 894)	136 024	-123.8%	(206 232)

Commentary explanations on Cash Activities:

Cash flow from operating category (Bank Statement)

1.3.2.1 Ratepayers (Electricity Revenue)

Electricity revenue and other revenue reflect an actual of R 1,809 billion compared to the year to date budget of R 1,420 billion which results in a favourable variance of R 389,021 million which is equivalent to (27.4%). An amount of 389,021 million for the period more than anticipated.

1.3.2.2 Capital Grants

This is anticipated Quarterly after submission of the progress report to the Parent Municipality.

Cash flow regarding payments

1.3.2.3 Suppliers and Employee Related Costs

Suppliers and Employee Related payments reflect an actual of R 1,712 billion compared to the year to date budget allocation of R 1,340 billion, which result to an unfavourable variance of R 372,626 million which is equivalent to (27.8%).

1.3.2.3 Capital Payments

Capital payments reflect a year to date actual of R 71,933 million compared to the yearly budget of R 105,610 million. This results to a variance of R 33,676 million which is equivalent to (31.9%).

1.3.3 FINANCIAL IMPLICATIONS

The Mid-Year report for the period ending 31 December 2021 indicates various financial risks which require monitoring:

- Irrecoverable debtors >120 days equals to 76% of the debt book.

1.3.3.1 Achievement of the operating expenditure and revenue budget:

The Mid-Year Assessment Report for the period ending 31 December 2021 indicates a deficit of R 240,150 million (on accrual basis as per the financial system including non-cash transactions). The Report indicates various financial risks which requires monitoring of:

- Collection from debtors
- Strict management of cash flow
- Maximize collection rate on monthly bills

1.3.3.2 Achievement of the capital expenditure budget:

The actual year to date capital expenditure until 31 December 2021 represents only 28% (R 61,967) million when compared to the year to date budget allocation of R 217,752 million.

1.3.4 CONCLUSION

This report is in compliance of Section 88(1) of the MFMA, by providing a statement to the Board containing certain financial details.

Based on the indicated performance above,

- ✓ The entity must tighten controls on Expenditure and prioritize expenditure on core functions to remain within the budgeted thresholds
- ✓ Alternative revenue sources to be explored
- ✓ Revenue collection efforts to be accelerated

1.3.5 RECOMMENDATIONS

That, in compliance with Section 88(1) of the MFMA

- Council should note and evaluate the reported assessed Mid-Year financial performance report against the budget for the 2021/21 financial year;
- Based on the assessment of the performance as indicated above and the need to accommodate the matters as indicated in the paragraph 1.3.4 (Conclusion) above, it is recommended that an adjustment budget for the financial year 2021/21 be made and tabled before Council for consideration, after approval of the Mid-Year Report.

1.4 MID-YEAR BUDGET STATEMENT TABLES

F1: Monthly Budget Summary

Centlec (SOC) Ltd - Table F1 Monthly Budget Statement Summary - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly Actuals	YTD Actuals	YTD Budget	YTD Variance %	YTD Variance	Full Year Forecast
R thousands								
Financial Performance								
Property rates								
Service charges	2 660 509	3 165 360	207 949	1 502 001	1 582 680	(81)	-5%	3 165 360
Investment revenue	638	640	70	340	320	20	6%	640
Transfers recognised - operational								
Other own revenue	44 883	36 823	2 646	18 558	18 411	147	1%	36 823
contributions)	2 706 030	3 202 823	210 665	1 520 899	1 601 411	(80 512)	-5%	3 202 823
Employee costs	396 685	379 702	34 287	238 290	189 852	48 438	26%	379 702
Remuneration of Board Members	826	982	5	112	491	(379)	-77%	982
Depreciation and asset impairment	231 868	73 461	18 985	113 033	36 731	76 302	208%	73 461
Finance charges	12 018	59	5	29	29	(0)	0%	59
Materials and bulk purchases	1 791 261	2 039 583	147 718	1 310 964	1 019 791	291 172	29%	2 039 583
Transfers and grants		120 000			60 000	(60 000)	-100%	120 000
Other expenditure	346 271	210 619	17 280	100 577	105 310	(4 733)	-4%	210 619
Total Expenditure	2 778 929	2 824 407	218 280	1 763 005	1 412 204	350 801	25%	2 824 407
Surplus/(Deficit)	(72 899)	378 416	(7 615)	(242 106)	189 207	(431 313)	-228%	378 416
Transfers recognised - capital	43 761	20 466			10 233	(10 233)	-100%	20 466
Contributions & Contributed assets	7 081	13 000	392	1 956	6 500	(4 544)	-70%	13 000
contributions	(22 058)	411 882	(7 223)	(240 150)	205 940	(446 089)	-217%	411 882
Taxation								
Surplus/ (Deficit) for the year	(22 058)	411 882	(7 223)	(240 150)	205 940	(446 089)	-217%	411 882
Capital expenditure & funds sources								
Capital expenditure	129 106	217 752	2 785	61 967	108 876	(46 909)	-43%	217 752
Transfers recognised - capital	58 993	33 466	171	19 907	16 733	3 174	19%	33 466
Internally generated funds	70 113	184 286	2 615	42 060	92 143	(50 083)	-54%	184 286
Total sources of capital funds	129 106	217 752	2 785	61 967	108 876	(46 909)	-43%	217 752
Financial position								
Total current assets	3 639 202	1 013 077		32 197				1 013 077
Total non current assets	7 709 656	8 384 320		(51 066)				8 384 320
Total current liabilities	5 585 623	864 275		245 083				864 275
Total non current liabilities	1 414 886	1 628 688		29				1 628 688
Community wealth/Equity	4 348 349	6 904 434		(263 982)				6 904 434
Cash flows								
Net cash from (used) operating	216 025	115 540	22 613	98 064	57 770	40 294	70%	115 540
Net cash from (used) investing	(164 284)	(211 097)	(11 782)	(71 933)	(105 549)	33 616	-32%	(211 097)
Net cash from (used) financing	(4 333)	(124 230)			(62 115)	62 115	-100%	(124 230)
Cash/cash equivalents at the year end	60 963	(144 686)	10 832	26 131	(109 894)	136 024	-124%	(206 232)

F2: Financial Performance (Revenue & Expenditure)

Centlec (SOC) Ltd - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December									
Description	2020/21	Current Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates									
Service charges - electricity revenue	2 660 509	3 165 360	3 165 360	207 949	1 502 001	1 582 680	(80 679)	-5.1%	3 165 360
Interest earned - external investments	638	640	640	70	340	320	20	6.4%	640
Interest earned - outstanding debtors	23 122	25 094	25 094	2 071	11 305	12 547	(1 242)	-9.9%	25 094
Fines, penalties and forfeits	2 592	1 830	1 830	77	1 464	915	549	60.0%	1 830
Other revenue	15 367	9 898	9 898	498	3 426	4 949	(1 523)	-30.8%	9 898
Gains on disposal of PPE	3 803	1	1		2 363	1	2 363	457852.6%	1
contributions)	2 706 030	3 202 823	3 202 823	210 665	1 520 899	1 601 411	(80 512)	-5.0%	3 202 823
Expenditure By Type									
Employee related costs	396 685	379 702	379 702	34 287	238 290	189 852	48 438	25.5%	379 702
Remuneration of Directors	826	982	982	5	112	491	(379)	-77.2%	982
Debt impairment (Non-Cash)	17 791	10 358	10 358	863	5 179	5 179		0.0%	10 358
Depreciation & asset impairment (Non-Cash)	231 868	73 461	73 461	18 985	113 033	36 731	76 302	207.7%	73 461
Finance charges (Non-Cash)	12 018	59	59	5	29	29	-1	0.0%	120 059
Bulk purchases	1 756 201	2 002 153	2 002 153	143 111	1 290 909	1 001 076	289 832	29.0%	2 002 153
Other materials (Inventory)	35 060	37 430	34 479	4 607	20 055	18 715	1 340	7.2%	34 430
Contracted services	92 359	123 737	126 395	8 464	58 513	61 869	(3 355)	-5.4%	126 737
Transfers and subsidies (Dividends)		120 000	120 000			60 000	(60 000)	-100.0%	
Other expenditure	230 640	76 408	76 701	7 952	36 281	38 204	(1 923)	-5.0%	76 408
Loss on disposal of PPE	5 481	116	116	1	603	58	545	939.7%	116
Total Expenditure	2 778 929	2 824 407	2 824 407	218 280	1 763 005	1 412 204	350 801	24.8%	2 824 407
Surplus/(Deficit)									
	(72 899)	378 416	378 416	(7 615)	(242 106)	189 207	(431 313)	-228.0%	378 416
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	43 761	20 466	20 466			10 233	(10 233)	-100.0%	20 466
allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	7 081	13 000	13 000	392	1 956	6 500	(4 544)	-69.9%	13 000
Transfers and subsidies - capital (in-kind - all)									
Surplus/(Deficit) before taxation	(22 058)	411 882	411 882	(7 223)	(240 150)	205 940	(446 089)	-216.6%	411 882
Taxation									
Surplus/(Deficit) for the year	(22 058)	411 882	411 882	(7 223)	(240 150)	205 940	(446 089)	-216.6%	411 882

F3: Capital Expenditure

Centlec (SOC) Ltd - Table F3 Monthly Budget Statement - Capital Expenditure - M06 December									
Description	2020/21	Current Year 2021/22							
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands									
Capital expenditure by Asset Class/Sub-class									
Infrastructure	105 214	155 770	2 477	38 204	76 612	38 408	50.1%	152 970	
Electrical Infrastructure	105 214	155 770	2 477	38 204	76 612	38 408	50.1%	152 970	
<i>Power Plants</i>									
<i>HV Substations</i>	880	7 992		756	3 863	3 107	80.4%	7 592	
<i>MV Substations</i>									
<i>MV Networks</i>	20 169	27 229	763	4 171	12 475	8 304	66.6%	24 829	
<i>LV Networks</i>	84 166	120 349	1 715	33 277	60 174	26 897	44.7%	120 349	
<i>Capital Spares</i>									
<i>Unimproved Property</i>									
Other assets									
Operational Buildings									
<i>Municipal Offices</i>									
<i>Training Centres</i>									
Computer Equipment	9 743	2 542		2 872	2 544	(328)	-12.9%	5 342	
Computer Equipment	9 743	2 542		2 872	2 544	(328)	-12.9%	5 342	
Furniture and Office Equipment	314	515		59	258	198	77.0%	515	
Furniture and Office Equipment	314	515		59	258	198	77.0%	515	
Total Capital Expenditure	129 106	217 752	2 785	61 967	108 876	46 909	43.1%	217 752	
Funded by:									
National Government	47 286	20 466		11 987	10 233	(1 754)	-17.1%	20 466	
Provincial Government									
Parent Municipality	11 707	13 000	171	7 920	6 500	(1 420)	-21.9%	13 000	
District Municipality									
Transfers recognised - capital	58 993	33 466	171	19 907	16 733	(3 174)	-19.0%	33 466	
Public contributions & donations									
Borrowing									
Internally generated funds	70 113	184 286	2 615	42 060	92 143	50 083	54.4%	184 286	
Total Capital Funding	129 106	217 752	2 785	61 967	108 876	46 909	43.1%	217 752	

F4: Financial Position

Centlec - Table F4 Monthly Budget Statement - Financial Position - M06 December					
Vote Description	2020/21	Current Year 2021/22			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	15 812	87 568	87 568	(120 916)	87 568
Call investment deposits	9	1 182	1 182	33 359	1 182
Consumer debtors	557 337	924 326	924 326	56 966	924 326
Other debtors	3 069 498			63 391	
Current portion of long-term receivables					
Inventory	(3 454)			(603)	
Total current assets	3 639 202	1 013 077	1 013 077	32 197	1 013 077
Non current assets					
Long-term receivables					
Investments					
Investment property					
Investment in Associate	849				
Property, plant and equipment	6 333 690	6 985 685	6 985 685	(46 085)	6 985 685
Biological					
Intangible	86 214	102 393	102 393	(4 981)	102 393
Other non-current assets	1 288 904	1 296 242	1 296 242		1 296 242
Total non current assets	7 709 656	8 384 320	8 384 320	(51 066)	8 384 320
TOTAL ASSETS	11 348 858	9 397 397	9 397 397	(18 869)	9 397 397
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing		25 252	25 252		25 252
Consumer deposits	125 968	124 230	124 230	(1 850)	124 230
Trade and other payables	5 415 771	678 499	678 499	246 934	678 499
Provisions	43 884	36 293	36 293		36 293
Total current liabilities	5 585 623	864 275	864 275	245 083	864 275
Non current liabilities					
Borrowing	5 313			29	
Provisions	1 409 574	1 628 688	1 628 688		1 628 688
Total non current liabilities	1 414 886	1 628 688	1 628 688	29	1 628 688
TOTAL LIABILITIES	7 000 509	2 492 963	2 492 963	245 113	2 492 963
NET ASSETS	4 348 349	6 904 434	6 904 434	(263 982)	6 904 434
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	254 438	1 426 306	1 426 306	(263 982)	1 426 306
Reserves	4 093 911	5 478 128	5 478 128		5 478 128
TOTAL COMMUNITY WEALTH/EQUITY	4 348 349	6 904 434	6 904 434	(263 982)	6 904 434

F5: Cash Flows

Centlec (SOC) Ltd - Table F5 Monthly Budget Statement - Cash Flows - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates								
Service charges	2 668 052	2 841 853	241 223	1 809 947	1 420 926	389 021	27.4%	2 841 853
Other revenue	13 982	11 379	100	2 449	5 689	(3 241)	-57.0%	11 379
Government - operating								
Government - capital	69 433	33 466			16 733	(16 733)	-100.0%	33 466
Interest (Bank & Investments)	17 086	29 308	633	4 286	14 654	(10 368)	-70.8%	29 308
Dividends								
Payments								
Suppliers and employees	(2 432 471)	(2 680 406)	(219 342)	(1 712 829)	(1 340 203)	(372 626)	27.8%	(2 680 406)
Finance charges	(57)	(59)		(5 789)	(29)	(5 760)	19569.8%	(59)
Dividends paid	(120 000)	(120 000)			(60 000)	60 000	-100.0%	(120 000)
Transfers and Grants								
NET CASH FROM/(USED) OPERATING ACTIVITIES	216 025	115 540	22 613	98 064	57 770	40 294	69.7%	115 540
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	349	122			61	(61)	-100.0%	122
Decrease (Increase) in non-current debtors								
Decrease (increase) other non-current receivables								
Decrease (increase) in non-current investments								
Payments								
Capital assets	(164 633)	(211 219)	(11 782)	(71 933)	(105 610)	33 676	-31.9%	(211 219)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(164 284)	(211 097)	(11 782)	(71 933)	(105 549)	33 616	-31.8%	(211 097)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans								
Borrowing long term/refinancing								
Increase (decrease) in consumer deposits	(4 333)	(124 230)			(62 115)	62 115	-100.0%	(124 230)
Payments								
Repayment of borrowing (MMM)								
NET CASH FROM/(USED) FINANCING ACTIVITIES	(4 333)	(124 230)			(62 115)	62 115	-100.0%	(124 230)
NET INCREASE/ (DECREASE) IN CASH HELD	47 407	(219 787)	10 832	26 131	(109 894)	136 024	-123.8%	(219 787)
Cash/cash equivalents at the year begin:	13 556	75 102						13 556
Cash/cash equivalents at the year end:	60 963	(144 686)	10 832	26 131	(109 894)	136 024	-123.8%	(206 232)

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors' Analysis (Supporting Table SF3)

The debtors report been prepared on the basis of the prescribed format required to be submitted to the Parent Municipality. This format provides an extended aged analysis (per group and per type). **Table SF3.** The net debtors balance for the mid-year period ended 31 December 2021 is R 1,028 billion.

Centlec (Soc) Ltd- Debtors Age Analysis by Revenue Source as at 31 December 2021:

Centlec (SOC) Ltd - Supporting Table F3 Entity Aged debtors - M06 December													
Detail	R thousands	NT Code	Current Year 2021/22										
			0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Bad Debts	>90 days
Debtors Age Analysis													
Trade and Other Receivables from Exchange Transactions - Electricity		1300	150 365 721	19 666 942	81 002 757	24 743 484	25 490 080	15 631 402	51 441 698	660 594 367	1 028 936 451		777 901 031
Total By Income Source		2000	150 365 721	19 666 942	81 002 757	24 743 484	25 490 080	15 631 402	51 441 698	660 594 367	1 028 936 451		777 901 031
Debtors Age Analysis By Customer Group													
Organs of State		2200	32 900 650	13 536 653	69 409 181	18 612 777	20 765 657	13 221 365	42 695 159	475 163 860	686 305 302		
Commercial		2300	108 049 547	5 491 572	10 796 214	5 555 488	4 179 424	2 114 230	7 049 909	59 823 365	203 059 749		
Households		2400	9 415 524	638 717	797 362	575 219	544 999	295 807	1 696 630	125 607 142	139 571 400		
Other		2500											
Total By Customer Group		2600	150 365 721	19 666 942	81 002 757	24 743 484	25 490 080	15 631 402	51 441 698	660 594 367	1 028 936 451		777 901 031

Centlec (Soc) Ltd- Debtors Age Analysis by Customer Group as at 31 December 2021:

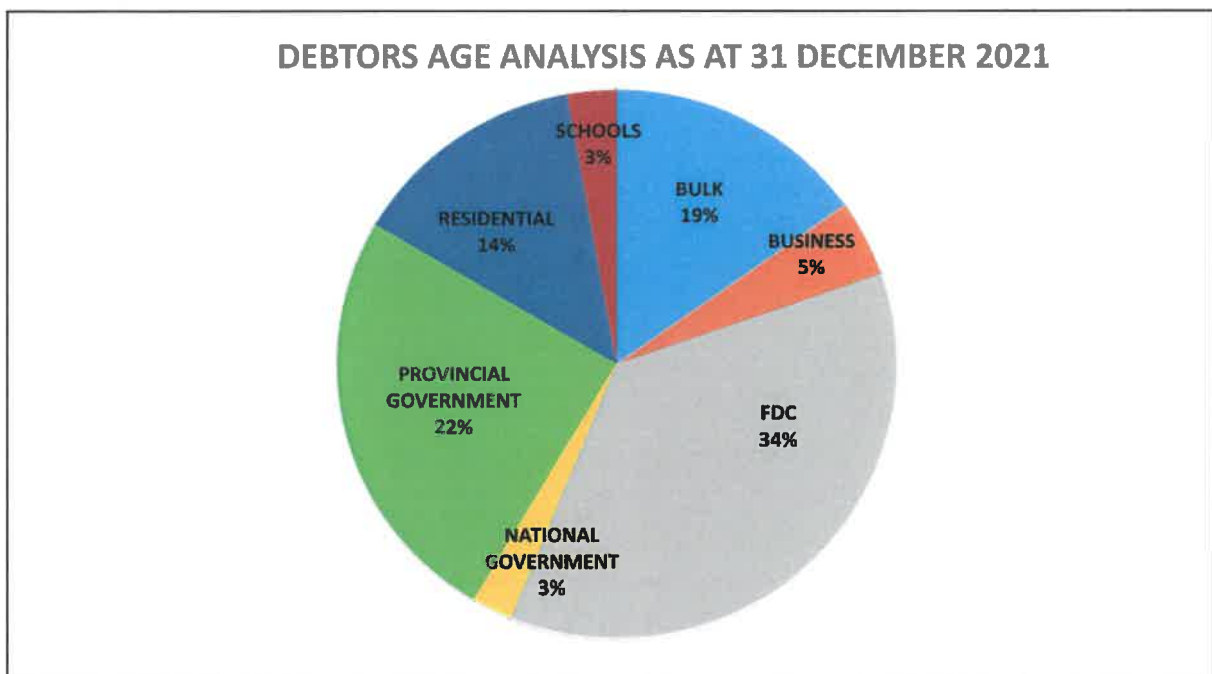
The following chart illustrates that the major debt is reflected in the over 1 year category. An amount of R 660,594 million is outstanding in this category (1 year and older), with R 475,163 million attributable to organs of state.

Debtors Age Analysis By Customer Group	NT Code	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Organs of State	2200	32 900 650	13 536 653	69 409 181	18 612 777	20 765 657	13 221 365	42 695 159	475 163 860	686 305 302
Commercial	2300	108 049 547	5 491 572	10 796 214	5 555 488	4 179 424	2 114 230	7 049 909	59 823 365	203 059 749
Households	2400	9 415 524	638 717	797 362	575 219	544 999	295 807	1 696 630	125 607 142	139 571 400
Other	2500									
Total By Customer Group	2600	150 365 721	19 666 942	81 002 757	24 743 484	25 490 080	15 631 402	51 441 698	660 594 367	1 028 936 451

Centlec (Soc) Ltd- Debtors Age Analysis by Customer Class as at 31 December 2021:

Row Labels	Sum of Current Ageing	Sum of 30 Days Ageing	Sum of 60 Days Ageing	Sum of 90 Days Ageing	Sum of 120+ Days Ageing	Sum of Total Ageing
BLOEM WATER	317 439					317 439
BULK	92 162 642	9 888 122	4 966 884	8 552 181	39 177 011	154 746 840
BUSINESS	4 454 731	735 537	522 899	2 243 460	37 937 166	45 893 793
CHURCHES	219 636	18 136	1 759	530	1 376 423	1 616 484
CRECHE	30	29	29	41	231 767	231 896
EDUCATION - UNIVERSITY	144 361	108 885			46	253 292
FDC	1 755 872	1 708 266	1 573 011	50 334 961	317 272 347	372 644 458
GOVERNMENT NATIONAL	5 544 774	5 589 812	2 700 903	2 664 603	7 458 091	23 958 183
INDIGENTS	14 527	5 364	4 176	16 266	21 663	61 997
PROVINCIAL GOVERNMENT	7 852 062	8 241 861	8 755 429	15 330 713	215 239 993	255 420 058
RESIDENTIAL	8 433 099	962 534	634 542	781 097	128 698 137	139 509 410
SCHOOLS	1 714 721	493 281	507 312	1 078 906	30 335 795	34 130 014
TRAINING AND DEVELOPMENT					152 585	152 585
TOTAL DEBTORS	122 613 894	27 751 827	19 666 942	81 002 760	777 901 024	1 028 936 447

The following chart indicates the outstanding debtors per customer group:



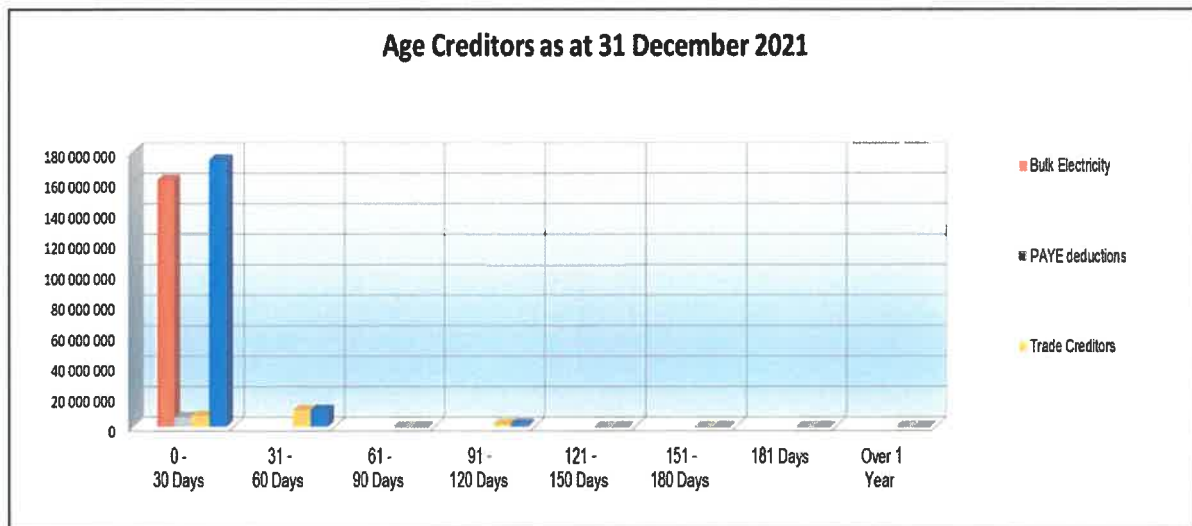
- The total outstanding debtors >90 days balance as at 31 December 2021 amounts to R 660,594 million for the mid-year.

2.2 Creditors' Analysis (Supporting Table SF4)

The Creditors report has been prepared on the basis of the prescribed format required to be submitted to the Parent Municipality. This format provides an extended aged analysis (per type). The total creditors amounted to R 187,692 million for the mid-year period ended 31 December 2021.

Centlec (SOC) Ltd - Supporting Table F4 Entity Aged creditors - M06 December										
Detail	NT Code	Current Year 2021/22								Total
		0 - 30	31 - 60 Days	61 - 90 Days	91 - 120	121 - 150	151 - 180	181 Days -	Over 1	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	161 819								161 819
Bulk Water	0200									
PAYE deductions	0300	6 141								6 141
VAT (output less input)	0400									
Pensions / Retirement deductions	0500									
Loan repayments	0600									
Trade Creditors	0700	7 175	10 791	60	1 705					19 732
Auditor General	0800									
Other	0900									
Total By Customer Type	2600	175 136	10 791	60	1 705					187 692

The following chart indicates the outstanding creditors:



Commentary on the Outstanding Creditors account (Table SF4)

- The total outstanding creditors >31days balances as at 31 December 2021 amounts to R 12,556 million.
- Creditors >31days for R 12,556 million is due cash flow constraints and under collection of debt.

2.3 Investment Portfolio Analysis (Annexure B: SF5)

INVESTMENTS (R THOUSANDS)	YTD CLOSING BALANCE AS AT 31 DECEMBER 2021
ABSA - 1 Day Account	33 368
Total Investments	33 368

The table below indicates the status of the investment portfolio and detail of the instruments of where the funds are invested which amounts to R 33,368 as at 31 December 2021. The interest received for the month ending 31 December 2021 for all investment accounts amounts to R 12,373.

1 Day Call Account Investment as at end of 31 December 2021:

Centlec - Supporting Table F5 Entity investment portfolio monthly statement - M06 December								
Investments by maturity Name of institution & investment ID R thousands	Current Year 2021/22							
	Period of investment Months	Type of investment	Expiry date of investment	Accrued interest for the month	Yield %	Market value Begin	Change	End
ABSA - 1 Day Account	February 2013	Call Account	n/a	12		8 434	24 934	33 368
Total investments				12		8 434	24 934	33 368

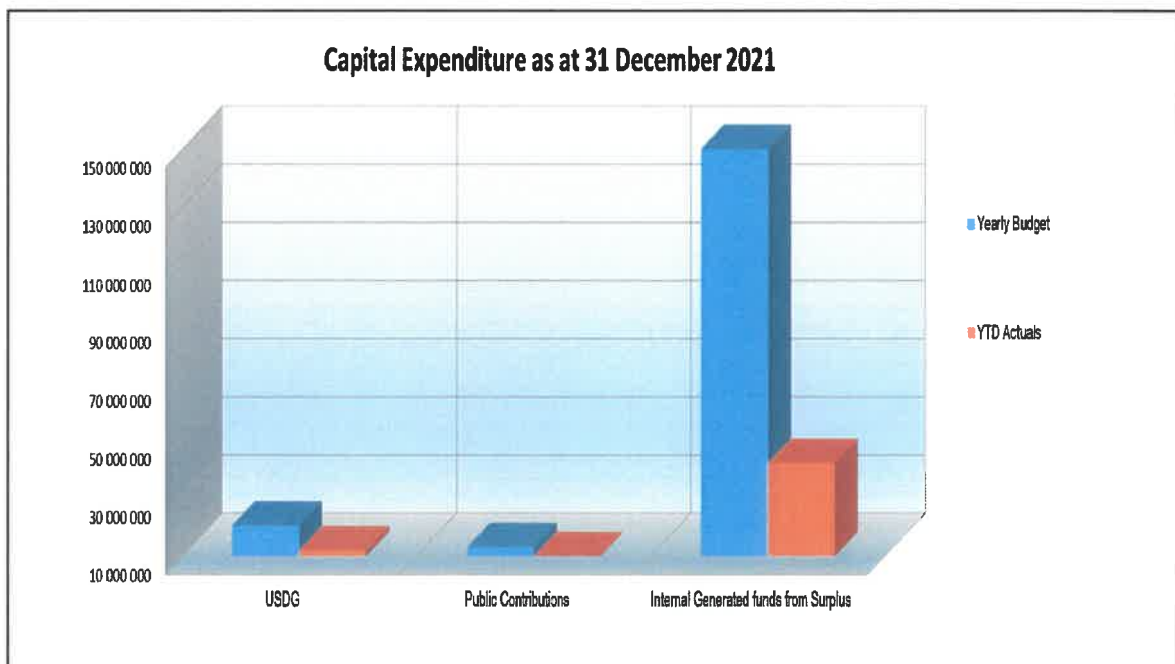
2.4 Capital Programme Performance

The Capital expenditure report shown in **Annexure B** has been prepared on the basis of the prescribed format required to be submitted to the Parent Municipality, and is categorized into major output “type”. The actual spending to date is R 61,967 million (28%) on the year to date budget allocation of R 217,752 million.

Summary Statement of Capital Expenditure – Financing

Description	Yearly Budget	YTD Actuals	YTD Variance Fav/(Unfav)	YTD %
USDG	20 466	11 987	8 479	59%
Public Contributions	13 000	7 920	5 080	61%
Internal Generated funds from Surplus	184 286	42 060	142 226	23%
Total Financing	217 752	61 967	155 785	28%

The following chart indicates the capital expenditure funding for the year ending 31 December 2021.



The status of the year-to-date capital expenditure, compared to the standard classification for the key infrastructure items as indicated in *Table F3* are:

Centlec (SOC) Ltd - Table F3 Monthly Budget Statement - Capital Expenditure - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure by Asset Class/Sub-class								
Infrastructure	105 214	155 770	2 477	38 204	76 612	38 408	50.1%	152 970
Electrical Infrastructure	105 214	155 770	2 477	38 204	76 612	38 408	50.1%	152 970
<i>Power Plants</i>								
<i>HV Substations</i>	880	7 992		756	3 863	3 107	80.4%	7 592
<i>MV Substations</i>								
<i>MV Networks</i>	20 169	27 229	763	4 171	12 475	8 304	66.6%	24 829
<i>LV Networks</i>	84 166	120 349	1 715	33 277	60 174	26 897	44.7%	120 349
<i>Capital Spares</i>								
<i>Unimproved Property</i>								
Other assets								
Operational Buildings								
<i>Municipal Offices</i>								
<i>Training Centres</i>								
Computer Equipment	9 743	2 542		2 872	2 544	(328)	-12.9%	5 342
Computer Equipment	9 743	2 542		2 872	2 544	(328)	-12.9%	5 342
Furniture and Office Equipment	314	515		59	258	198	77.0%	515
Furniture and Office Equipment	314	515		59	258	198	77.0%	515
Total Capital Expenditure	129 106	217 752	2 785	61 967	108 876	46 909	43.1%	217 752
Funded by:								
National Government	47 286	20 466		11 987	10 233	(1 754)	-17.1%	20 466
Provincial Government								
Parent Municipality	11 707	13 000	171	7 920	6 500	(1 420)	-21.9%	13 000
District Municipality								
Transfers recognised - capital	58 993	33 466	171	19 907	16 733	(3 174)	-19.0%	33 466
Public contributions & donations								
Borrowing								
Internally generated funds	70 113	184 286	2 615	42 060	92 143	50 083	54.4%	184 286
Total Capital Funding	129 106	217 752	2 785	61 967	108 876	46 909	43.1%	217 752

2.5 Other Supporting Tables

Supporting Table SF 1 – Material variance explanation

Supporting Table SF 2 – Financial and Non-Financial Indicators

Supporting Table SF3 – Aged Debtors

Supporting Table SF4 – Aged Creditors

Supporting Table SF5 – Investment Portfolio

Supporting Table SF6 – Board member allowances and staff benefits

Supporting Table SF7 – Monthly Actuals & revised targets

Supporting Table SF8(a) – Capital expenditure on new assets

Supporting Table SF8(b) – Capital expenditure on existing assets by asset category

Supporting Table SF8'(c)–Expenditure on Repairs & Maintenance by asset category

Supporting Table SF8'(d) – Expenditure on Depreciation by asset category

Supporting Table SF8'(e) – Expenditure on upgrading of Existing by asset category

Supporting Table SF 1 – Material variances explanations

Centlec (SOC) Ltd - Supporting Table F1 Entity Material variance explanation - M06 December			
R thousands	Variance	Reasons for material deviations	Remedial or corrective steps / remarks
Revenue items			
Service charges - electricity revenue	(80 679)	YTD unfavourable variance against the YTD Budget. The variance is due to electricity conservation by customers.	
Interest earned - external investments	20	YTD favourable variance against the YTD Budget. The interest received was higher than the anticipated budget.	
Interest earned - outstanding debtors	(1 242)	YTD unfavourable variance against the YTD Budget is due to reversals on estimates.	
Other revenue	(1 523)	YTD unfavourable variance against the YTD budget is due to under collection on other revenue line items.	
Expenditure items			
Employee related costs	48 438	YTD unfavourable variance against the Budget allocation is due to increments on third parties and salary increase.	
Bulk purchases	289 832	YTD unfavourable variance against the YTD Budget. The variance is mainly due to YTD actuals including winter tariffs and bulk purchases measured against a straight lined budget.	
Contracted services	(3 355)	YTD favourable variance (Savings) than the anticipated YTD budget due to underspending on contracted services.	
Other Expenditure	545	YTD unfavourable variance than the anticipated YTD budget due to overspending on operational line items.	
Capital Expenditure items			
Capital Expenditure projects	46 909	YTD unfavourable variance against the anticipated Ytd budget allocation due to slow implementation of projects.	
Cash flow items			
Ratepayers and other	384 619	YTD favourable variance against the YTD Budget. The variance is due to debt collection measures being (Ratepayers & Debtors) more effective than anticipated.	
Suppliers and employees	(353 999)	YTD unfavourable variance against the YTD Budget. The expenditure was higher than the anticipated budget.	
Measurable performance			
Client elected not to populate this sheet			
Total variance			

Supporting Table SF 2 – Financial and Non-Financial Indicators

Centlec (SOC) Ltd - Supporting Table F2 Entity Financial and non-financial indicators - M06 December						
Description of financial indicator	Basis of calculation	2020/21	Current Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management						
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets	0.0%	0.0%	0.0%	(0.2%)	0.0%
Capital Charges to Operating Expenditure	Interest & Depreciation /Operating Expenditure	8.8%	2.6%	2.6%	6.4%	2.6%
Borrowed funding of capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	161.0%	36.1%	36.1%	(92.9%)	36.1%
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities	65.2%	117.2%	117.2%	13.1%	117.2%
Current Ratio adjusted for debtors	Current assets/current liabilities less debtors > 90 days	65.2%	117.2%	117.2%	13.1%	117.2%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.3%	10.3%	10.3%	(35.7%)	10.3%
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing	0.0%	0.0%	97.9%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	134.0%	28.9%	28.9%	7.9%	28.9%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (Total units purchased + generated less total units sold)/Total units purchased + generated			12.1%		
Water Distribution Losses	% Volume (Total units purchased + own source less total units sold)/Total units purchased + own source					
Employee costs	Employee costs/Total Revenue - capital revenue	14.7%	11.9%	11.9%	15.7%	11.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	9.0%	2.3%	2.3%	7.4%	2.3%
Financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within	15837.8%	10928.3%	10928.3%	35484.0%	10928.3%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	20.9%	29.2%	29.2%	61.5%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.0%	0.0%	0.0%	0.0%	0.0%

Supporting Table SF5 – Investment Portfolio

Centlec - Supporting Table F5 Entity investment portfolio monthly statement - M06 December								
Investments by maturity Name of institution & investment ID	Current Year 2021/22							
	Period of investment Months	Type of investment	Expiry date of investment	Accrued interest for the month	Yield %	Market value		
R thousands						Begin	Change	End
ABSA - 1 Day Account	February 2013	Call Account	n/a	12		8 434	24 934	33 368
Total investments				12		8 434	24 934	33 368

Supporting Table SF6 – Board member allowances & staff benefits

Centlec (Soc) Ltd - Supporting Table F6 Entity Board member allowances & staff benefits - M06 December								
Summary of Employee and Board Member remuneration	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	A	B						D
Remuneration								
Board Members of Entities								
Basic Salaries	826	982	5	112	491	(221)	-67.4%	982
Pension Contributions								
Medical Aid Contributions								
Motor vehicle allowance								
Cell phone allowance								
Housing allowance								
Other benefits and allowances								
In-kind benefits								
Board Fees								
Sub Total - Board Members of Entities	826	982	5	112	491	(221)	-67.4%	982
% increase								
Senior Managers of Entities								
Basic Salaries		10 820		281	5 410	(3 326)	-92.2%	10 820
Pension Contributions		464			232	(155)	-100.0%	464
Medical Aid Contributions		120			60	(40)	-100.0%	120
Motor vehicle allowance		554			277	(185)	-100.0%	554
Cell phone allowance		132			66	(44)	-100.0%	132
Housing allowance								
Other benefits or allowances								0
Performance Bonus								
In-kind benefits								
Sub Total - Senior Managers of Entities		12 089		281	6 045	(3 749)	-93.0%	12 090
% increase								
Other Staff of Entities								
Basic Salaries	229 889	212 307	21 317	147 245	106 153	18 835	26.6%	212 307
Pension Contributions	39 329	39 860	3 617	24 727	19 930	120	0.9%	39 860
Medical Aid Contributions	22 412	22 312	1 945	13 631	11 156	355	4.8%	22 312
Motor vehicle allowance	22 561	22 613	2 118	13 993	11 307	284	3.8%	22 613
Cell phone allowance	835	866	71	497	433			866
Housing allowance	1 499	1 519	131	913	760	17	3.4%	1 519
Overtime	38 392	37 956	2 467	21 138	18 978	1 924	15.2%	37 956
Performance Bonus	17 268	18 782	1 916	9 243	9 391	(6 261)	-100.0%	18 782
Other benefits or allowances	24 501	11 398	705	6 621	5 699	(2 660)	-70.0%	11 398
In-kind benefits								
Sub Total - Other Staff of Entities	396 685	367 612	34 287	238 009	183 806	12 609	10.3%	367 612
Total Municipal Entities remuneration	397 511	380 684	34 292	238 402	190 342	8 640	6.8%	380 684

Supporting Table SF7 – Monthly actuals & revised targets

Centlec (SOC) Ltd - Supporting Table F7 Entity monthly actuals & revised targets - M06 December

Description	Current year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	September	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted	Adjusted	Adjusted	Adjusted
Revenue By Source															
Service charges	286 836	294 445	299 256	210 102	203 414	207 949	263 780	263 780	263 780	263 780	263 780	344 459	3 165 360	3 238 134	3 380 612
Rental of facilities and equipment															
Other revenue	3 733	(25 205)	30 633	2 608	3 617	2 716	5 911	5 911	5 911	5 911	5 911	23 274	70 928	47 920	56 054
Gains on disposal of PPE		1	14									(14)	1		
Total Revenue	290 569	269 240	329 902	212 710	207 030	210 666	269 691	269 691	269 691	269 691	269 691	367 720	3 236 289	3 286 054	3 436 666
Expenditure By Type															
Employee related costs	32 080	33 865	31 905	37 674	68 565	34 287	31 724	31 724	31 724	31 724	31 724	(16 311)	380 684	390 334	401 253
Remuneration of Board Members				10	10	5						(26)		1 024	1 069
Debt impairment		1 726	863	863	863	863	863	863	863	863	863	863	10 358	9 065	8 561
Depreciation & asset impairment	18 107	18 985	18 985	18 985	18 985	18 985	6 122	6 122	6 122	6 122	6 122	(70 180)	73 461	77 758	73 833
Finance charges		10	5	5	5	5	5	5	5	5	5	120 005	120 059	61	64
Dividends paid															
Bulk purchases	241 448	521 446	58 031	157 522	169 351	143 111	166 846	166 846	166 846	166 846	166 846	(122 986)	2 002 153	2 115 279	2 265 103
Other materials	3 500	3 039	3 052	3 688	2 169	4 607	2 819	2 819	2 819	2 819	2 819	279	34 430	39 002	40 218
Contracted services	5 516	12 413	13 147	8 981	9 991	8 464	10 611	10 611	10 611	10 611	10 611	15 167	126 737	128 934	130 747
Dividend paid (Non-Cash)							10 000	10 000	10 000	10 000	10 000	70 000	120 000	120 000	120 000
Other expenditure	3 160	9 684	11 066	2 281	2 117	7 952	6 367	6 367	6 367	6 367	6 367	8 290	78 408	79 911	81 085
Loss on disposal of PPE		29	569	2	3	1	10	10	10	10	10	(536)	116	120	125
Total expenditure	303 811	601 198	137 644	230 012	272 060	218 280	235 367	235 367	235 367	235 367	235 367	4 564	2 944 407	2 961 488	3 122 069
Capital expenditure															
Capital assets	2 968	15 741	19 038	14 756	6 677	2 785	18 146	18 146	18 146	18 146	18 146	65 055	217 752	143 462	126 382
Total capital expenditure	2 968	15 741	19 038	14 756	6 677	2 785	18 146	18 146	18 146	18 146	18 146	65 055	217 752	143 462	126 382
Cash flow															
Ratepayers and other	299 122	331 238	343 823	221 529	256 422	241 323	203 461	202 232	199 475	185 669	252 953	115 954	2 853 232	2 926 362	3 055 336
Grants									8 367			25 100	33 466	41 007	42 975
Interest	67	52	793	2 442	776	633	2 442	2 442	2 442	2 442	2 442	12 333	29 308	31 066	37 663
Suppliers, employees and other	(273 706)	(331 893)	(332 193)	(208 050)	(216 444)	(219 342)	(191 008)	(189 649)	(187 248)	(174 245)	(282 190)	(74 239)	(2 680 406)	(2 735 458)	(2 889 274)
Finance charges	(362)	(469)	(786)	(5)	(447)		(5)	(5)	(5)	(5)	(5)	2 034	(59)	(61)	(64)
Dividends paid				(10 000)			(10 000)	(10 000)	(10 000)	(10 000)	(10 000)	(60 000)	(120 000)	(120 000)	(120 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES	25 121	(1 071)	11 637	5 917	40 308	22 613	4 890	4 821	13 031	3 881	(36 789)	21 182	115 540	142 936	126 637
Decrease (increase) other non-current receivables															
Decrease (increase) in non-current investments															
Proceeds on disposal of PPE				10			10	10	10	10	10	61	122	127	133
Capital assets	(12 375)	(3 510)	(25 713)	(17 602)	(23 627)	(11 782)	(17 602)	(17 602)	(17 602)	(17 602)	(17 602)	(28 603)	(211 219)	(139 158)	(122 600)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(12 375)	(3 510)	(25 713)	(17 591)	(23 627)	(11 782)	(17 591)	(17 591)	(17 591)	(17 591)	(17 591)	(28 542)	(211 097)	(139 031)	(122 467)
Borrowing long term/refinancing/short term															
Repayment of borrowing															
Increase in consumer deposits															
NET CASH FROM/(USED) FINANCING ACTIVITIES															
NET INCREASE/(DECREASE) IN CASH HELD	12 746	(4 581)	(14 076)	(11 675)	16 681	10 832	(12 701)	(12 771)	(4 561)	(13 711)	(54 381)	(7 360)	(95 557)	3 905	4 170

Supporting Table S8 (a) – Capital expenditure on new assets

Centlec (SOC) Ltd - Supporting Table F8a Entity capital expenditure on new assets by asset class - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	97 054	124 071	1 693	33 716	60 763	27 047	44.5%	121 271
Electrical Infrastructure	97 054	124 071	1 693	33 716	60 763	27 047	44.5%	121 271
<i>Power Plants</i>								
<i>HV Substations</i>	880	6 034		756	3 017	2 261	74.9%	6 034
<i>MV Networks</i>	12 886	9 231		492	3 343	2 851	85.3%	6 431
<i>LV Networks</i>	83 288	108 805	1 693	32 468	54 403	21 934	40.3%	108 805
<i>Capital Spares</i>								
Community Assets	13 835	28 925	308	4 646	14 463	9 817	67.9%	28 925
Community Facilities	13 835	28 351	308	4 609	14 175	9 566	67.5%	28 351
<i>Halls</i>								
<i>Centres</i>	13 835	28 351	308	4 609	14 175	9 566	67.5%	28 351
Sport and Recreation Facilities		574		37	287	251	87.3%	574
<i>Indoor Facilities</i>								
<i>Outdoor Facilities</i>		574		37	287	251	87.3%	574
<i>Capital Spares</i>								
Computer Equipment	9 743	2 542		2 872	2 544	(328)	-12.9%	5 342
Computer Equipment	9 743	2 542		2 872	2 544	(328)	-12.9%	5 342
Furniture and Office Equipment	314	515		59	258	198	77.0%	515
Furniture and Office Equipment	314	515		59	258	198	77.0%	515
Machinery and Equipment								
Machinery and Equipment								
Transport Assets		30 000		16 186	15 000	(1 186)	-7.9%	30 000
Transport Assets		30 000		16 186	15 000	(1 186)	-7.9%	30 000
Total Capital Expenditure on new assets	120 946	186 053	2 001	57 479	93 027	35 548	38.2%	186 053

Supporting Table SF8 (b) – Capital expenditure on existing assets by asset category

- Supporting Table F8b Entity capital expenditure on the renewal of existing assets by asset class - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on renewal of existing assets by Asset Class/Sub-class								
Infrastructure	5 817	15 680	592	3 275	7 773	4 499	57.9%	15 480
Electrical Infrastructure	5 817	15 680	592	3 275	7 773	4 499	57.9%	15 480
Power Plants								
HV Substations		1 958			845	845	100.0%	1 558
HV Switching Station								
HV Transmission Conductors								
MV Substations								
MV Switching Stations								
MV Networks	5 817	12 209	574	2 637	6 171	3 534	57.3%	12 409
LV Networks		1 514	19	638	757	119	15.7%	1 514
Capital Spares								
Other assets								
Operational Buildings								
Municipal Offices								
Total Capital Expenditure on renewal of existing assets	5 817	15 680	592	3 275	7 773	4 499	57.9%	15 480

Supporting Table SF8 (c) – Expenditure on Repairs & Maintenance by asset category

- Supporting Table F8c Entity expenditure on repairs and maintenance by asset class - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Repairs and maintenance expenditure by Asset Class/Sub-class								
Infrastructure	96 660	4 204	7 444	22 860	1 051	(21 809)	-2075.1%	4 204
Power Plants	92 540	459	6 881	21 296	115	(21 181)	-1844.4%	459
HV Substations	4 120	3 744	563	1 564	936	(628)	-67.0%	3 744
LV Networks								
Other assets	7 576	6 850	527	1 174	1 713	539	31.5%	6 850
Operational Buildings	7 576	6 850	527	1 174	1 713	539	31.5%	6 850
Municipal Offices								
	858	1 220	23	201	305	104	34.0%	1 220
	858	1 220	23	201	305	104	34.0%	1 220
Machinery and Equipment								
Machinery and Equipment	7 449	7 162	556	2 770	1 691	(1 079)	-63.8%	6 612
	7 449	7 162	556	2 770	1 691	(1 079)	-63.8%	6 612
Total Repairs and Maintenance Expenditure	112 543	19 436	8 550	27 004	4 759	(22 245)	-467.4%	18 886

Supporting Table SF8 (d) – Expenditure on Depreciation by asset category

- Supporting Table F8d Entity Depreciation by asset class - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Depreciation by Asset Class/Sub-class								
Infrastructure	202 886	51 910	16 911	100 313	25 955	(74 358)	-286.5%	51 910
<i>LV Networks</i>	202 886	51 910	16 911	100 313	25 955	(74 358)	-286.5%	51 910
Community Assets	3 562	1 637	297	1 712	818	(894)	-109.2%	1 637
<i>Halls</i>	3 562	1 637	297	1 712	818	(894)	-109.2%	1 637
Intangible Assets	9 664	7 438	805	4 981	3 719	(1 262)	-33.9%	7 438
<i>Servitudes</i>								
<i>Licences and Rights</i>	9 664	7 438	805	4 981	3 719	(1 262)	-33.9%	7 438
<i>Computer Software and Applications</i>	9 664	7 438	805	4 981	3 719	(1 262)	-33.9%	7 438
Furniture and Office Equipment	11 480	6 797	620	3 767	3 398	(369)	-10.8%	6 797
<i>Furniture and Office Equipment</i>	11 480	6 797	620	3 767	3 398	(369)	-10.8%	6 797
Machinery and Equipment	47	56			28	28	100.0%	56
<i>Machinery and Equipment</i>	47	56			28	28	100.0%	56
Transport Assets	4 229	5 623	352	2 259	2 812	552	19.6%	5 623
<i>Transport Assets</i>	4 229	5 623	352	2 259	2 812	552	19.6%	5 623
Total Depreciation	231 868	73 461	18 985	113 033	36 731	(76 302)	-207.7%	73 461

Supporting Table SF8 (e) – Expenditure on Upgrading of Existing by asset class

- Supporting Table F8e Entity capital expenditure on the upgrading of existing assets by asset class - M06 December								
Description	2020/21	Current Year 2021/22						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class								
Infrastructure	2 343	16 019	192	1 213	8 076	6 863	85.0%	16 219
<i>Electrical Infrastructure</i>	2 343	16 019	192	1 213	8 076	6 863	85.0%	16 219
<i>HV Transmission Conductors</i>		200			100	100	100.0%	200
<i>MV Substations</i>								
<i>MV Switching Stations</i>								
<i>MV Networks</i>	1 466	5 789	189	1 043	2 961	1 918	64.8%	5 989
<i>LV Networks</i>	877	10 030	3	170	5 015	4 844	96.6%	10 030
<i>Capital Spares</i>								
Total Capital Expenditure on upgrading of existing assets	2 343	16 019	192	1 213	8 076	6 863	85.0%	16 219

CERTIFICATION

Print Name S. Zuma
ACTING CHIEF FINANCIAL OFFICER OF CENTLEC (SOC) LTD

Signature 

Date 18/01/2022


Accounting Officer's certification:

I, Malope Sebebe, Chief Executive Officer of Centlec (SOC) Ltd, hereby certify that the

- Monthly Budget Statements
- Mid-Year Budget and Performance Assessment Report

For the period ended 31 December 2021 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act, and that the budget statement tables and supporting documentation are consistent with the business plan of the Entity, the service delivery agreement with the Parent Municipality and the Integrated Development Plan of the Parent Municipality.

Print Name Malope Sebebe
CHIEF EXECUTIVE OFFICER OF CENTLEC (SOC) LTD

Signature 

Date 18/01/2022