

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



SECTION 52 REPORT: 2018/19

REPORTING PERIOD: THIRD QUARTER

PART 1: QUARTERLY REPORT

PURPOSE

To submit a report to council within 30 days of the end of each quarter on implementation of the Budget and Financial state of the Municipality as required by Section 52 of the Municipal Finance Management Act

Executive Summary

Section 52 of the Municipal Finance Management Act deals with requirements for quarterly reporting and further states that the Mayor of the Municipality must within 30 days of the end of each quarter submit a report to council on implementation of the Budget and the financial state of the Municipality.

IN YEAR BUDGET STATEMENT TABLES

Table C1: Quarterly Budget Statement Summary

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	25 978	36 650	33 010	10 229	25 849	24 316	1 534	6%	36 650
Service charges	74 874	101 546	89 925	23 061	66 935	67 731	(797)	-1%	101 546
Investment revenue	2 928	3 000	2 800	345	1 298	1 932	(635)	-33%	3 000
Transfers and subsidies	226 163	245 278	245 278	60 152	239 814	245 508	(5 695)	-2%	245 278
Other own revenue	94 037	90 309	84 683	3 813	33 547	58 002	(24 454)	-42%	90 309
Total Revenue (excluding capital transfers)	423 980	476 783	455 697	97 601	367 443	397 489	(30 046)	-8%	476 783
Employee costs	127 202	134 149	130 473	32 445	106 102	102 065	4 037	4%	134 149
Remuneration of Councillors	22 874	25 070	24 291	6 178	17 427	17 770	(343)	-2%	25 070
Depreciation & asset impairment	53 654	51 181	51 181	-	25 989	38 617	(12 628)	-33%	51 181
Finance charges	281	2 500	2 900	915	915	1 430	(515)	-36%	2 500
Materials and bulk purchases	78 408	97 093	78 909	19 395	58 741	56 052	2 689	5%	97 093
Transfers and subsidies	841	4 404	3 580	557	1 836	2 416	(579)	-24%	4 404
Other expenditure	238 169	156 909	157 835	24 382	114 938	118 729	(3 791)	-3%	156 909
Total Expenditure	521 428	471 306	449 169	83 872	325 950	337 080	(11 130)	-3%	471 306
Surplus/(Deficit)	(97 448)	5 477	6 528	13 728	41 493	60 409	(18 916)	-31%	5 477
Transfers and subsidies - capital (monetary allocations)	97 901	63 830	64 279	9 218	50 297	47 565	2 732	6%	63 830
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers	453	69 307	70 807	22 946	91 790	107 974	(16 184)	-15%	69 307
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	453	69 307	70 807	22 946	91 790	107 974	(16 184)	-15%	69 307
Capital expenditure & funds sources									
Capital expenditure	107 563	75 869	71 370	14 214	52 734	50 466	2 268	4%	75 869
Capital transfers recognised	83 864	55 504	55 953	11 803	48 491	43 221	5 270	12%	55 504
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	23 699	20 365	15 417	2 411	4 243	7 245	(3 002)	-41%	20 365
Total sources of capital funds	107 563	75 869	71 370	14 214	52 734	50 466	2 268	4%	75 869
Financial position									
Total current assets	65 342	120 845	127 079	34 786	224 613				120 845
Total non current assets	1 018 848	1 083 492	1 083 492	38 803	1 050 907				1 083 492
Total current liabilities	91 339	73 138	66 949	21 487	134 425				73 138
Total non current liabilities	93 955	116 629	109 192	19 238	121 097				116 629
Community wealth/Equity	898 896	1 014 570	1 034 431	32 864	1 019 998				1 014 570
Cash flows									
Net cash from (used) operating	96 019	83 769	90 520	53 083	135 992	61 698	(74 294)	-120%	83 769
Net cash from (used) investing	(103 972)	(71 869)	(65 801)	(5 219)	(43 287)	(49 607)	(6 320)	13%	(71 869)
Net cash from (used) financing	(6 900)	(9 829)	(6 640)	(2 079)	(8 325)	57	8 382	14704%	(9 829)
Cash/cash equivalents at the month/year end	6 194	18 039	24 273	45 786	90 575	18 342	(72 232)	-394%	8 265
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	11 065	3 842	2 315	2 142	1 957	1 820	10 958	43 048	77 147
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Revenue

For the third quarter of January to March 2019, the year to date actual amounted to R 397, 489 million. Of the total revenue received during the third quarter, the major portion of R 97, 601 (25%) million is from equitable share. Other receipts are from property rates, service charges and other grants.

Operating Expenditure

The operating expenditure for the quarter amounts to R83, 872 million with the year to date expenditure of R325, 950 million which shows 3% year to date variance when compared to the year to date budget.

Capital Expenditure

The year to date actual capital expenditure as at end of third quarter amounts to R14, 214 million and the year to date budget amounts to R50, 466 million and this deviates with 28% when compared to year to date target.

Surplus/Deficit

Taking the above into consideration the net operating surplus for the quarter ending 31 March 2019 amounts to R13, 728 million.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of March amounts to R77, 147 million and this shows an increase of R14, 465 million as compared to R62, 681 million as at end of 2017/18 financial year. This increase portrays improved revenue collection of the municipality as the higher the collection rate the lesser the increase in consumer debtors.

Consumer debtors is made up of service charges and property rates that amount to R44, 940 million and other debtors amounting to R32, 207 million. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, they do not form part of consumer debtors.

Creditors

All creditors are paid within 30 days of the receipt of an invoice as required by the MFMA. All invoices were paid within the prescribed time for the third quarter.

Table C2 – Quarterly Financial Performance (Standard Classification)

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	183 232	203 714	198 283	53 224	179 922	189 201	(9 279)	-5%	203 714
Executive and council	35 581	42 873	42 873	7 287	40 562	42 873	(2 311)	-5%	42 873
Finance and administration	141 249	152 939	147 508	43 992	131 428	138 426	(6 998)	-5%	152 939
Internal audit	6 402	7 902	7 902	1 945	7 932	7 902	30	0%	7 902
Community and public safety	9 881	18 637	18 650	5 730	21 002	18 647	2 356	13%	18 637
Community and social services	3 412	7 973	7 973	2 084	11 295	7 970	3 324	42%	7 973
Sport and recreation	6 469	10 664	10 677	3 646	9 708	10 676	(969)	-9%	10 664
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	206 569	185 532	182 239	20 179	117 737	139 819	(22 082)	-16%	185 532
Planning and development	6 605	17 319	17 107	4 666	13 053	16 914	(3 861)	-23%	17 319
Road transport	199 121	167 196	164 114	15 271	103 653	121 887	(18 234)	-15%	167 196
Environmental protection	842	1 018	1 018	242	1 030	1 018	12	1%	1 018
Trading services	122 199	132 730	120 804	27 685	99 079	97 388	1 692	2%	132 730
Energy sources	91 510	109 537	102 039	25 672	80 230	80 848	(618)	-1%	109 537
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	30 689	23 193	18 765	2 013	18 849	16 540	2 310	14%	23 193
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	521 880	540 613	519 975	106 818	417 740	445 054	(27 314)	-6%	540 613
Expenditure - Functional									
Governance and administration	213 465	176 004	184 555	39 933	149 993	146 010	3 982	3%	176 004
Executive and council	39 711	42 558	39 998	9 233	30 271	30 468	(197)	-1%	42 558
Finance and administration	167 531	125 652	135 446	29 946	113 134	108 096	5 038	5%	125 652
Internal audit	6 223	7 795	9 111	754	6 587	7 446	(859)	-12%	7 795
Community and public safety	14 010	18 191	15 276	1 924	8 166	10 480	(2 314)	-22%	18 191
Community and social services	6 687	7 709	5 563	1 136	3 571	3 963	(392)	-10%	7 709
Sport and recreation	7 323	10 481	9 713	787	4 595	6 517	(1 922)	-29%	10 481
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	125 722	149 194	133 138	16 394	90 057	99 019	(8 963)	-9%	149 194
Planning and development	14 195	23 848	15 813	3 167	10 386	10 938	(552)	-5%	23 848
Road transport	110 877	124 365	116 597	13 096	79 179	87 538	(8 359)	-10%	124 365
Environmental protection	650	981	728	130	492	543	(51)	-9%	981
Trading services	168 230	127 918	116 200	25 621	77 735	81 570	(3 836)	-5%	127 918
Energy sources	140 094	105 653	92 646	19 673	56 958	61 717	(4 759)	-8%	105 653
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	28 136	22 265	23 554	5 948	20 777	19 854	923	5%	22 265
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	521 428	471 306	449 169	83 872	325 950	337 080	(11 130)	-3%	471 306
Surplus/ (Deficit) for the year	453	69 307	70 807	22 946	91 790	107 974	(16 184)	-15%	69 307

Table C3 – Quarterly Fin' Performance (Revenue and Expenditure by vote)

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	31 540	38 168	38 168	6 237	35 733	38 168	(2 436)	-6%	38 168
Vote 2 - Municipal Manager	15 805	31 469	31 469	9 846	24 626	31 469	(6 843)	-22%	31 469
Vote 3 - Budget & Treasury	83 272	64 695	59 272	18 677	52 062	50 158	1 904	4%	64 695
Vote 4 - Corporate Services	34 041	39 939	39 931	11 602	43 267	39 963	3 303	8%	39 939
Vote 5 - Community Services	131 423	127 644	120 478	10 132	73 148	93 591	(20 442)	-22%	127 644
Vote 6 - Technical Services	211 539	211 110	203 280	42 819	165 851	164 522	1 330	1%	211 110
Vote 7 - Developmental Planning	1 529	11 493	11 282	3 400	7 040	11 089	(4 049)	-37%	11 493
Vote 8 - Executive Support	12 731	16 094	16 094	4 106	16 013	16 094	(82)	-1%	16 094
Total Revenue by Vote	521 880	540 613	519 975	106 818	417 740	445 054	(27 314)	-6%	540 613
Expenditure by Vote				-					
Vote 1 - Executive & Council	36 404	37 886	35 307	8 398	25 827	24 216	1 611	7%	37 886
Vote 2 - Municipal Manager	20 075	31 112	37 306	10 710	34 586	20 456	14 130	69%	31 112
Vote 3 - Budget & Treasury	89 906	47 233	51 072	9 483	53 034	28 153	24 881	88%	47 233
Vote 4 - Corporate Services	39 301	37 865	30 600	3 827	17 942	22 903	(4 961)	-22%	37 865
Vote 5 - Community Services	123 541	105 457	100 333	13 577	63 957	42 144	21 813	52%	105 457
Vote 6 - Technical Services	188 616	185 027	167 702	32 040	111 776	112 674	(898)	-1%	185 027
Vote 7 - Developmental Planning	7 999	11 188	9 977	1 953	5 920	7 134	(1 213)	-17%	11 188
Vote 8 - Executive Support	15 585	15 539	16 872	3 884	12 908	10 226	2 681	26%	15 539
Total Expenditure by Vote	521 428	471 306	449 168	83 872	325 950	267 906	58 044	22%	471 306
Surplus/ (Deficit) for the year	453	69 307	70 807	22 946	91 790	177 148	(85 357)	-48%	69 307

Table C2 and C3 measures the quarterly actual against the year to date performance targets which is realized by vote and standard classification. The variances are all reflected in the year to date variance column.

The financial results portrayed in the two tables are the same as those in other tables (i.e. it is only the description or basis of reporting that is based on financial or budget performance by vote or department, and National Treasury's standard classification.

Table C4: Quarterly Financial performance by Revenue Source and Expenditure Type

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	25 978	36 650	33 010	10 229	25 849	24 316	1 534	6%	36 650
Service charges - electricity revenue	67 575	89 297	81 798	21 062	60 953	61 676	(723)	-1%	89 297
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	7 299	12 249	8 127	1 999	5 982	6 055	(73)	-1%	12 249
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	944	1 220	1 000	118	577	677	(100)	-15%	1 220
Interest earned - external investments	2 928	3 000	2 800	345	1 298	1 932	(635)	-33%	3 000
Interest earned - outstanding debtors	9 693	8 161	6 692	(421)	4 071	5 793	(1 722)	-30%	8 161
Dividends received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	67 325	73 218	70 209	81	21 786	46 655	(24 869)	-53%	73 218
Licences and permits	4 956	4 950	5 200	839	3 405	3 859	(454)	-12%	4 950
Agency services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	226 163	245 278	245 278	60 152	239 814	245 508	(5 695)	-2%	245 278
Other revenue	11 118	2 761	1 582	3 197	3 708	1 018	2 690	264%	2 761
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers)	423 980	476 783	455 697	97 601	367 443	397 489	(30 046)	-8%	476 783
Expenditure By Type									
Employee related costs	127 202	134 149	130 473	32 445	106 102	102 065	4 037	4%	134 149
Remuneration of councillors	22 874	25 070	24 291	6 178	17 427	17 770	(343)	-2%	25 070
Debt impairment	74 839	53 421	55 000	-	31 176	39 038	(7 862)	-20%	53 421
Depreciation & asset impairment	53 654	51 181	51 181	-	25 989	38 617	(12 628)	-33%	51 181
Finance charges	281	2 500	2 900	915	915	1 430	(515)	-36%	2 500
Bulk purchases	68 602	80 000	70 000	17 997	51 827	49 727	2 100	4%	80 000
Other materials	9 806	17 093	8 909	1 398	6 914	6 325	588	9%	17 093
Contracted services	67 951	60 020	59 841	14 250	49 489	47 928	1 561	3%	60 020
Transfers and subsidies	841	4 404	3 580	557	1 836	2 416	(579)	-24%	4 404
Other expenditure	93 908	43 468	42 994	10 132	34 274	31 764	2 510	8%	43 468
Loss on disposal of PPE	1 470	-	-	-	-	-	-	-	-
Total Expenditure	521 428	471 306	449 169	83 872	325 950	337 080	(11 130)	-3%	471 306
Surplus/(Deficit)	(97 448)	5 477	6 528	13 728	41 493	60 409	(18 916)	-31%	5 477
Transfers and subsidies - capital (monetary allocations)	97 901	63 830	64 279	9 218	50 297	47 565	2 732	6%	63 830
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	453	69 307	70 807	22 946	91 790	107 974			69 307
Taxation									
Surplus/(Deficit) after taxation	453	69 307	70 807	22 946	91 790	107 974			69 307
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	453	69 307	70 807	22 946	91 790	107 974			69 307
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	453	69 307	70 807	22 946	91 790	107 974			69 307

This table provides the quarterly details for revenue by source and expenditure by type. The reasons for deviations will only be provided in cases where the difference is more than 10% and can be viewed in supporting table SC1.

Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

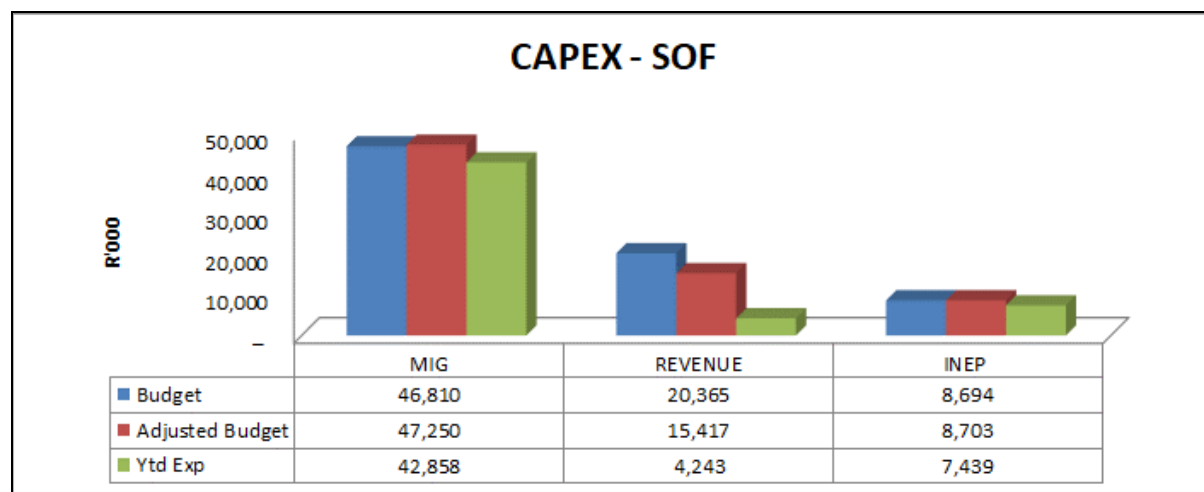
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	1 110	1 700	2 200	726	1 225	1 140	85	7%	1 700
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	1 110	1 700	2 200	726	1 225	1 140	85	7%	1 700
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	8 834	522	522	-	-	248	(248)	-100%	522
Community and social services	-	522	522	-	-	248	(248)	-100%	522
Sport and recreation	8 834	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	84 672	59 779	57 039	7 045	38 221	40 288	(2 066)	-5%	59 779
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	84 672	59 779	57 039	7 045	38 221	40 288	(2 066)	-5%	59 779
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	12 946	13 868	11 609	6 444	13 288	8 790	4 498	51%	13 868
Energy sources	12 946	10 868	10 009	5 167	12 010	8 262	3 748	45%	10 868
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	-	3 000	1 600	1 277	1 277	528	749	142%	3 000
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	107 563	75 869	71 370	14 214	52 734	50 466	2 268	4%	75 869
Funded by:									
National Government	83 864	55 504	55 953	11 803	48 491	43 221	5 270	12%	55 504
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	83 864	55 504	55 953	11 803	48 491	43 221	5 270	12%	55 504
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	23 699	20 365	15 417	2 411	4 243	7 245	(3 002)	-41%	20 365
Total Capital Funding	107 563	75 869	71 370	14 214	52 734	50 466	2 268	4%	75 869

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1 110	1 400	1 400	186	609	826	(216)	-26%	1 400
Vote 5 - Community Services	434	3 000	1 600	1 277	1 277	528	749	142%	3 000
Vote 6 - Technical Services	77 883	27 513	23 974	8 586	20 688	16 190	4 498	28%	27 513
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	79 427	31 913	26 974	10 049	22 575	17 544	5 031	29%	31 913
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	500	-	-	-	-	-	-	500
Vote 4 - Corporate Services	-	300	800	540	616	315	301	96%	300
Vote 5 - Community Services	1 005	522	522	-	-	248	(248)	-100%	522
Vote 6 - Technical Services	27 131	42 634	43 074	3 625	29 543	32 359	(2 816)	-9%	42 634
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	28 136	43 956	44 395	4 166	30 159	32 922	(2 763)	-8%	43 956
Total Capital Expenditure	107 563	75 869	71 370	14 214	52 734	50 466	2 268	4%	75 869

Table C5 Capex and C5C present capital expenditure performance for all votes, standard classification and the funding thereof and measures the year-to-date performance targets against the actual capital expenditure figures.

R52, 734 million spending was incurred on capital budget and year to date budget is R50, 466 million and this gave rise to over performance variance of R2, 268 million that translates to 4%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget, R53, 832 million (VAT exclusive) is funded from Municipal Infrastructure grant, R9, 998 million (VAT exclusive) from INEP and R20, 365 million from own revenue and the

spending per source of finance is presented in the above graph. There is a new grant received by the municipality that was not gazetted amounting to R21, 771 million that is meant for Development of Masakaneng and this is not yet budgeted for. The grant was received from department of CoGHSTA.

Table C6: Quarterly Budget Statement Financial Position

Description	2017/18	Budget Year 2018/19			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	6 194	2 457	8 691	48 701	2 457
Call investment deposits	–	15 582	15 582	41 874	15 582
Consumer debtors	24 953	40 483	40 483	41 893	40 483
Other debtors	30 866	58 923	58 924	87 835	58 923
Current portion of long-term receivables	–	–	–	–	–
Inventory	3 328	3 400	3 400	4 311	3 400
Total current assets	65 342	120 845	127 079	224 613	120 845
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	–	–	–	–	–
Investment property	53 739	53 728	53 728	54 139	53 728
Investments in Associate	–	–	–	–	–
Property, plant and equipment	952 317	1 016 632	1 016 632	995 531	1 016 632
Agricultural	–	–	–	–	–
Biological	–	–	–	–	–
Intangible	85	291	291	–	291
Other non-current assets	12 706	12 841	12 841	1 237	12 841
Total non current assets	1 018 848	1 083 492	1 083 492	1 050 907	1 083 492
TOTAL ASSETS	1 084 189	1 204 337	1 210 572	1 275 520	1 204 337
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	–	10 000	6 811	5 722	10 000
Consumer deposits	5 249	5 260	5 260	5 352	5 260
Trade and other payables	81 839	52 466	52 466	127 065	52 466
Provisions	4 251	5 412	2 412	(3 715)	5 412
Total current liabilities	91 339	73 138	66 949	134 425	73 138
Non current liabilities					
Borrowing	–	30 677	23 240	23 097	30 677
Provisions	93 955	85 952	85 952	98 000	85 952
Total non current liabilities	93 955	116 629	109 192	121 097	116 629
TOTAL LIABILITIES	185 294	189 767	176 141	255 522	189 767
NET ASSETS	898 896	1 014 570	1 034 431	1 019 998	1 014 570
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	898 896	1 014 570	1 034 431	1 019 998	1 014 570
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	898 896	1 014 570	1 034 431	1 019 998	1 014 570

The above table shows that community wealth amounts to R1,019 billion, total liabilities R255,522 million and the total assets R1, 275, 520 billion. Non-current liabilities are mainly made up of provisions for long service award, landfill site and bonus.

Total current assets appear to be fairly reasonable relative to total current liabilities and this as a result portray a much better picture of the municipality's current ratio.

Table C7: Quarterly Budgeted Statement Cash Flow

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	20 409	28 587	20 797	5 897	16 479	19 574	(3 095)	-16%	28 587
Service charges	68 403	89 922	80 709	21 878	64 210	59 990	4 219	7%	89 922
Other revenue	14 831	18 225	18 724	5 262	28 771	20 118	8 653	43%	18 225
Government - operating	226 165	245 278	245 278	60 676	184 062	143 079	40 983	29%	245 278
Government - capital	97 899	63 830	63 830	37 683	93 601	54 778	38 823	71%	63 830
Interest	12 621	4 632	4 170	1 180	3 039	3 627	(588)	-16%	4 632
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(343 186)	(359 801)	(336 508)	(75 465)	(251 418)	(234 146)	17 273	-7%	(359 801)
Finance charges	(281)	(2 500)	(2 900)	(915)	(915)	(2 457)	(1 542)	63%	(2 500)
Transfers and Grants	(841)	(4 404)	(3 580)	(557)	(1 836)	(2 865)	(1 029)	36%	(4 404)
NET CASH FROM/(USED) OPERATING ACTIVITIES	96 019	83 769	90 520	55 639	135 992	61 698	(74 294)	-120%	83 769
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	2 400	2 000	2 000	3 022	3 022	-	3 022	#DIV/0!	2 000
Decrease (Increase) in non-current debtors	-	2 000	-	-	-	-	-	-	2 000
Decrease (increase) other non-current receivables	-	-	-	-	150	233	(83)	-36%	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(106 372)	(75 869)	(67 801)	(8 241)	(46 459)	(49 840)	(3 381)	7%	(75 869)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(103 972)	(71 869)	(65 801)	(5 219)	(43 287)	(49 607)	(6 320)	13%	(71 869)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	9 764	(9 764)	-100%	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	171	171	63	102	57	45	80%	171
Payments									
Repayment of borrowing	(6 900)	(10 000)	(6 811)	(2 142)	(8 427)	(9 764)	(1 337)	14%	(10 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(6 900)	(9 829)	(6 640)	(2 079)	(8 325)	57	8 382	14704%	(9 829)
NET INCREASE/ (DECREASE) IN CASH HELD	(14 854)	2 071	18 079	48 342	84 381	12 148			2 071
Cash/cash equivalents at beginning:	21 048	15 968	6 194		6 194	6 194			6 194
Cash/cash equivalents at month/year end:	6 194	18 039	24 273		90 575	18 342			8 265

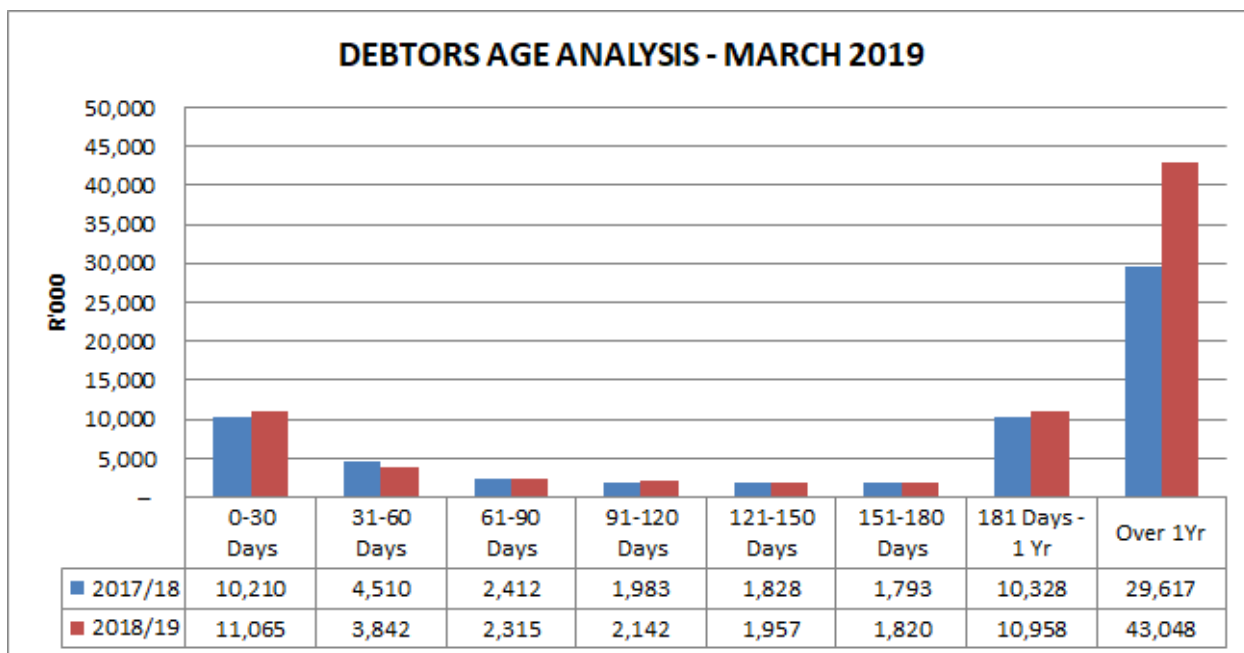
Table C7 provides details of the monthly cash in and outflow. For the quarter ending 31 March 2019 the net cash from operating activities is R55, 639 million whilst cash used for investing activities is R5, 219 million and the net cash from financing activities is R2, 079 million. The cash and cash equivalent held at end of the third quarter amounted to R90, 575 million.

PART 2: SUPPORTING TABLES

Table SC3: Debtors Analysis

Description	Budget Year 2018/19											
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Bad Debts Written Off	Impairment - Bad Debts
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	6 339	1 243	147	82	78	70	369	3 440	11 767	4 038	-	-
Receivables from Non-exchange Transactions - Property Rates	2 569	994	1 042	1 017	1 007	857	4 849	20 839	33 173	28 569	-	-
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	674	432	375	362	358	354	2 012	4 973	9 541	8 059	-	-
Receivables from Exchange Transactions - Property Rental Debtors	25	(9)	62	4	3	2	105	935	1 127	1 049	-	-
Interest on Arrear Debtor Accounts	832	801	766	737	711	685	3 621	14 278	22 432	20 032	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	626	381	(76)	(60)	(200)	(149)	3	(1 417)	(892)	(1 823)	-	-
Total By Income Source	11 065	3 842	2 315	2 142	1 957	1 820	10 958	43 048	77 147	59 925	-	-
2017/18 - totals only	10 210	4 510	2 412	1 983	1 828	1 793	10 328	29 617	62 681	45 549	-	-
Debtors Age Analysis By Customer Group												
Organs of State	1 465	586	537	519	509	440	2 465	10 539	17 060	14 472	-	-
Commercial	5 530	851	290	259	188	200	1 555	6 312	15 187	8 515	-	-
Households	3 353	1 940	1 000	954	855	783	4 661	15 332	28 879	22 585	-	-
Other	716	464	488	409	405	397	2 277	10 864	16 020	14 352	-	-
Total By Customer Group	11 065	3 842	2 315	2 142	1 957	1 820	10 958	43 048	77 147	59 925	-	-

table provides a breakdown of the consumer and sundry debtors at the end of the quarter. The outstanding debtors amounted to R59, 925 million as at 31 March 2019. Consumer debtors amounts to R 45, 573 million and sundry debtors amounts to R 14, 352 million as at end of the third quarter.



The graph compares debtors' age analysis for 2017/18 financial year and 2018/19 (as at end of third quarter) and noted from the graph there is an increase in the municipal debt book for 2018/19 financial year.

Table SC4: Creditors Analysis

Description	Budget Year 2018/19									totals for chart (same)
	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	
Creditors Age Analysis By Customer Type										
Bulk Electricity	-	-	-	-	-	-	-	-	-	-
Bulk Water	-	-	-	-	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	-	-	-	-	-	-	-	-	-	-
Auditor General	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	-	-	-	-	-	-	-	-	-	-

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice. No creditors were outstanding for more than 30 days. All invoices were paid within the prescribed period for the third quarter.

Table SC5: Investment Portfolio Analysis

Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date	Accrued interest	Yield for the month 1 (%)	Market value at beginning	Change in market value	Market value at end
Nedbank (03/7881068264/0044)	1 Month	Current Invest	20-May-19	51	7.83%	20 000	-	20 051
Nedbank (03/7881068264/0043)	2 Month	Current Invest	19-Jun-19	52	7.85%	21 771	-	21 823
TOTAL INVESTMENTS AND INTEREST				103		41 771	-	41 874

Supporting Table SC5 displays the council's investments portfolio and indicates that R41, 874 million was invested as at end of the third quarter.

Table SC6- Allocation and grant receipts

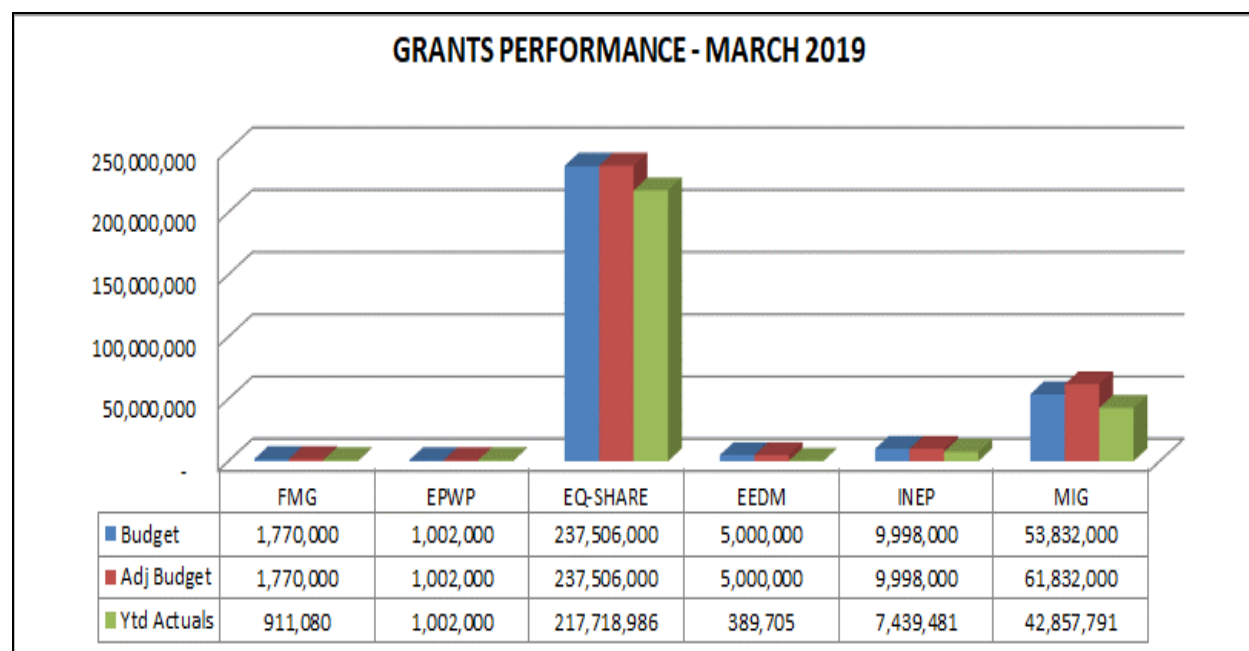
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	226 163	245 278	245 278	60 676	245 278	245 278	-	-	245 278
Local Government Equitable Share	223 019	237 506	237 506	59 376	237 506	237 506	-	-	237 506
Finance Management	1 700	1 770	1 770	-	1 770	1 770	-	-	1 770
EPWP Incentive	1 444	1 002	1 002	300	1 002	1 002	-	-	1 002
Energy Efficiency and Demand Management	-	5 000	5 000	1 000	5 000	5 000	-	-	5 000
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	226 163	245 278	245 278	60 676	245 278	245 278	-	-	245 278
Capital Transfers and Grants	-	-	-	-	-	-	-	-	-
National Government:	81 860	63 830	63 830	15 912	71 830	71 830	-	-	71 830
Municipal Infrastructure Grant (MIG)	66 860	53 832	53 832	15 912	61 832	61 832	-	-	61 832
Intergrated National Electrification Grant	15 000	9 998	9 998	-	9 998	9 998	-	-	9 998
Provincial Government:	-	-	-	21 771	21 771	-	21 771	0%	-
CoGHSTA - Development of Masakaneng	-	-	-	21 771	21 771	-	21 771	0%	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	81 860	63 830	63 830	37 683	93 601	71 830	21 771	30%	71 830
TOTAL RECEIPTS OF TRANSFERS & GRANTS	308 023	309 108	309 108	98 359	338 879	317 108	21 771	7%	317 108

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R338, 879 million of which the major portion is attributed to equitable share. In the reporting period, all gazetted grants were received according to National Treasury's grants payment schedule. An additional Municipal Infrastructure Grant (MIG) was allocated and paid to the municipality.

Table SC7: Transfers and Grant Expenditure

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	226 163	245 278	245 278	119 534	239 814	245 508	(5 695)	-2%	245 278
Local Government Equitable Share	223 019	237 506	237 506	118 758	237 511	237 736	(225)	0%	237 506
Finance Management	1 700	1 770	1 770	162	911	1 770	(859)	-49%	1 770
EPWP Incentive	1 444	1 002	1 002	224	1 002	1 002	(0)	0%	1 002
Energy Efficiency and Demand Management	-	5 000	5 000	390	389 705	5 000	(4 610)	-92%	5 000
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	226 163	245 278	245 278	119 534	239 814	245 508	(5 695)	-2%	245 278
Capital expenditure of Transfers and Grants									
National Government:	97 901	63 830	63 830	11 655	50 297	47 565	2 732	6%	63 830
Municipal Infrastructure Grant (MIG)	82 722	53 832	53 832	7 887	42 858	37 219	5 639	15%	53 832
Integrating National Electrification Grant	15 179	9 998	9 998	1 353	7 439	10 346	(2 907)	-28%	9 998
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	97 901	63 830	63 830	11 655	50 297	47 565	2 732	6%	63 830
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	324 064	309 108	309 108	131 189	290 111	293 073	(2 962)	-1%	309 108

A total amount of R131, 189 million has been spent on grants during the third quarter and the year to date budget thereof amount to R293, 073 million and this resulted in over spending variance of R2, 962 million that translates to -1%. Of the total spending amounting to R290, 111 million, R239, 814 million is spent on operational grants whilst R50, 297 million is spent of capital grants.



The above graph depicts the gazetted and/or budgeted amounts for all the grants and the expenditure thereof as at end of third quarter. The grants expenditure is shown below in percentages:

- Financial Management Grant 0.5%
- Expanded Public Work Programme 0.3%
- Equitable Share 70%
- Energy Efficiency and Demand Management 1%
- Municipal Infrastructure Grant 18%
- Integrated National Electrification Grant 3%
- CoGHSTA - Development of Masakaneng 6%

Table SC8: Councilor Allowances and Employee Benefits

Summary of Employee and Councilor remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	12 690	15 073	14 450	3 571	10 050	10 465	(415)	-4%	15 073
Pension and UIF Contributions	1 778	1 857	1 657	432	1 206	1 216	(10)	-1%	1 857
Medical Aid Contributions	295	317	351	100	268	259	9	3%	317
Motor Vehicle Allowance	4 947	5 324	5 334	1 385	3 859	3 904	(45)	-1%	5 324
Cellphone Allowance	2 708	2 489	2 499	677	2 031	1 927	105	5%	2 489
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	454	10	-	13	13	-	13	#DIV/0!	10
Sub Total - Councillors	22 874	25 070	24 291	6 178	17 427	17 770	(343)	-2%	25 070
% increase		10%	6%						10%
Senior Managers of the Municipality									
Basic Salaries and Wages	5 073	4 718	4 532	1 018	3 339	3 427	(87)	-3%	4 718
Pension and UIF Contributions	234	1 095	245	38	159	183	(24)	-13%	1 095
Medical Aid Contributions	92	252	102	20	67	75	(7)	-10%	252
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	672	907	760	163	565	581	(16)	-3%	907
Cellphone Allowance	41	84	141	42	116	107	9	8%	84
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	221	81	528	50	483	480	3	1%	81
Payments in lieu of leave	103	-	-	40	40	-	40	#DIV/0!	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	6 436	7 137	6 308	1 371	4 770	4 853	(83)	-2%	7 137
% increase		11%	-2%						11%
Other Municipal Staff									
Basic Salaries and Wages	73 490	85 022	79 451	20 522	61 592	60 260	1 332	2%	85 022
Pension and UIF Contributions	14 304	16 149	16 141	4 219	12 582	12 252	330	3%	16 149
Medical Aid Contributions	7 931	4 826	4 726	1 373	3 940	3 646	293	8%	4 826
Overtime	2 357	1 774	2 108	811	1 685	1 491	194	13%	1 774
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	7 782	8 965	10 043	2 644	7 776	7 588	188	2%	8 965
Cellphone Allowance	507	986	1 147	414	1 087	910	177	19%	986
Housing Allowances	143	161	160	43	130	124	7	6%	161
Other benefits and allowances	11 264	8 057	8 638	413	7 514	7 869	(356)	-5%	8 057
Payments in lieu of leave	677	892	1 173	210	720	842	(122)	-14%	892
Long service awards	559	180	578	425	829	491	338	69%	180
Post-retirement benefit obligations	1 752	-	-	-	3 477	1 739	1 739	100%	-
Sub Total - Other Municipal Staff	120 766	127 011	124 165	31 074	101 332	97 212	4 120	4%	127 011
% increase		5%	3%						5%
Total Parent Municipality	150 075	159 219	154 764	38 623	123 530	119 835	3 694	3%	159 219
		6%	3%						6%
TOTAL SALARY, ALLOWANCES & BENEFITS	150 075	159 219	154 764	38 623	123 530	119 835	3 694	3%	159 219
% increase		6%	3%						6%
TOTAL MANAGERS AND STAFF	127 202	134 149	130 473	32 445	106 102	102 065	4 037	4%	134 149

This table provides the details for councilor and employee benefits. For the third quarter the total salaries, allowances and benefits amounted to R38, 623 million which deviates with R3, 694 million from the planned figure.

Table SC9: Actual and Revised Targets for Cash Receipts

Description	Budget Year 2018/19				2018/19 Medium Term Revenue & Expenditure Framework		
	Quarter: 1 Outcome	Quarter: 2 Outcome	Quarter: 3 Outcome	Quarter: 4 Budget	Year 2018/19	Year +1 2019/20	Year +2 2020/21
Cash Receipts By Source							
Property rates	5,116	5,466	5,897	12,108	28,587	30,131	31,788
Service charges - electricity revenue	18,897	21,297	20,890	19,284	80,368	85,993	92,228
Service charges - water revenue	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–
Service charges - refuse	1,103	1,036	988	6,427	9,554	10,070	10,624
Service charges - other	–	–	–	–	–	–	–
Rental of facilities and equipment	68	229	90	223	610	643	678
Interest earned - external investments	580	225	345	1,849	3,000	3,162	3,336
Interest earned - outstanding debtors	167	887	835	(256)	1,632	1,720	1,815
Dividends received	–	–	–	–	–	–	–
Fines, penalties and forfeits	550	2,353	1,307	6,038	10,248	10,801	11,395
Licences and permits	1,300	1,266	839	1,545	4,950	5,217	5,504
Agency services	–	–	–	–	–	–	–
Transfer receipts - operating	43,767	79,619	60,676	61,216	245,278	269,940	293,775
Other revenue	3,001	14,740	3,027	(18,351)	2,417	2,548	2,688
Cash Receipts by Source	74,549	127,119	94,893	90,083	386,644	420,226	453,831
Other Cash Flows by Source							
Transfer receipts - capital	27,110	28,808	37,683	(29,771)	63,830	67,721	70,734
Contributions & Contributed assets	–	–	–	–	–	–	–
Proceeds on disposal of PPE	–	–	3,022	(1,022)	2,000	–	–
Short term loans	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–
Increase in consumer deposits	49	(10)	63	69	171	203	227
Receipt of non-current debtors	150	–	–	1,850	2,000	2,500	2,700
Receipt of non-current receivables	–	–	–	–	–	–	–
Change in non-current investments	–	–	–	–	–	–	–
Total Cash Receipts by Source	101,858	155,917	135,661	61,209	454,645	490,650	527,492
Cash Payments by Type							
Employee related costs	31,566	41,722	32,145	28,716	134,149	142,723	152,000
Remuneration of councillors	6,385	5,625	6,178	6,882	25,070	26,675	28,409
Interest paid	–	(0)	915	1,585	2,500	2,300	2,000
Bulk purchases - Electricity	15,345	17,485	17,498	29,671	80,000	84,320	88,958
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–
Other materials	1,972	2,511	2,183	10,428	17,093	18,017	19,007
Contracted services	13,700	20,496	12,688	13,136	60,020	62,629	66,073
Grants and subsidies paid - other municipalities	–	–	–	–	–	–	–
Grants and subsidies paid - other	217	1,063	557	2,568	4,404	4,642	4,897
General expenses	2,380	9,904	4,772	26,412	43,468	45,289	47,780
Cash Payments by Type	71,564	98,805	76,937	119,399	366,705	386,594	409,124
Other Cash Flows/Payments by Type							
Capital assets	13,250	24,967	8,241	29,410	75,869	85,123	84,647
Repayment of borrowing	–	6,285	2,142	1,573	10,000	14,000	16,677
Other Cash Flows/Payments	–	6,863	–	(6,863)	–	–	–
Total Cash Payments by Type	84,814	136,921	87,320	143,518	452,574	485,717	510,448
NET INCREASE/(DECREASE) IN CASH HELD	17,043	18,996	48,342	(82,309)	2,071	4,933	17,044
Cash/cash equivalents at the month/year beginning:	6,194	23,238	42,233	90,575	6,194	8,265	13,198
Cash/cash equivalents at the month/year end:	23,238	42,233	90,575	8,265	8,265	13,198	30,242

Supporting Table SC9 provides the details of the cash inflow for the budget setting out receipt by source and payments by type. As at end of third quarter, cash receipts reflect an amount of R135, 661 million whilst the total cash payment is R87, 320 million. The cash and cash equivalent at end the quarter amounted to R90, 575 million that is inclusive of unspent conditional grants amounting to R49, 239 million that leaves the municipality with own cash and cash equivalent amounting to R41, 336 million available to sustain the operations of the municipality till end of the financial year.

Table SC12: Capital Expenditure Trend

Month	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
Monthly expenditure performance trend									
July	6 624	6 722	4 292	–	2 977	4 292	1 315	31%	4%
August	8 720	9 189	1 635	–	4 612	5 927	1 315	22%	6%
September	7 500	11 637	9 816	–	15 702	15 743	41	0%	21%
October	9 227	9 283	5 461	–	22 119	21 204	(916)	-4%	29%
November	11 572	8 482	6 413	–	28 532	27 617	(916)	-3%	38%
December	10 917	8 697	7 217	–	38 519	34 834	(3 686)	-11%	51%
January	7 350	3 979	2 762	40 225	40 225	37 595	(2 630)	-7%	53%
February	10 580	6 249	5 583	44 483	44 483	43 178	(1 305)	-3%	59%
March	6 580	5 136	2 500	50 160	50 160	45 678	(4 482)	-10%	66%
April	7 221	2 938	5 844	–	–	51 522	–	0%	0%
May	14 033	2 052	8 105	–	–	59 627	–	0%	0%
June	7 239	1 505	11 742	–	–	71 370	–	0%	0%
Total Capital expenditure	107 563	75 869	71 370						

Supporting table SC12 provides information on the monthly trends for capital expenditure and this table serves as a supporting table for table C5. In terms of this table the capital expenditure for third quarter amounts to R134, 868 million. The year to date capital budget is R126, 451 million that gives rise to over spending variance of R8, 417 million.

Table SC13a: Quarterly Capital Expenditure on New Assets

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	52 811	32 150	28 613	6 398	24 764	22 121	(2 643)	-12%	32 150
Roads Infrastructure	39 865	21 283	18 604	1 232	12 754	13 860	1 105	8%	21 283
Roads	39 865	21 283	18 604	1 232	12 754	13 860	1 105	8%	21 283
Road Furniture	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	12 946	10 868	10 009	5 167	12 010	8 262	(3 748)	-45%	10 868
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	12 946	10 868	10 009	12 010	12 010	8 262	(3 748)	-45%	10 868
MV Networks	-	-	-	(6 843)	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Other assets	-	4 447	4 947	1 741	1 741	3 127	1 387	44%	4 447
Operational Buildings	-	4 447	4 947	1 741	1 741	3 127	1 387	44%	4 447
Municipal Offices	-	4 447	4 947	1 741	1 741	3 127	1 387	44%	4 447
Pay/Enquiry Points	-	-	-	(1 332)	-	-	-	-	-
Building Plan Offices	-	-	-	(1 332)	-	-	-	-	-
Workshops	-	-	-	(1 332)	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-
Computer Equipment	749	500	1 000	158	553	674	122	18%	500
Computer Equipment	749	500	1 000	158	553	674	122	18%	500
Furniture and Office Equipment	362	400	400	28	56	151	95	63%	400
Furniture and Office Equipment	362	400	400	28	56	151	95	63%	400
Machinery and Equipment	3 138	1 300	300	540	616	124	(492)	-396%	1 300
Machinery and Equipment	3 138	1 300	300	540	616	124	(492)	-396%	1 300
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	57 060	38 798	35 260	7 532	27 730	26 198	(1 532)	-6%	38 798

Table SC13b: Quarterly Expenditure on Existing Assets

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	42 135	33 550	33 988	5 405	23 726	23 491	(235)	-1%	33 550
Roads Infrastructure	42 135	33 550	33 988	5 405	23 726	23 491	(235)	-1%	33 550
Roads	42 135	33 550	33 988	5 405	23 726	23 491	(235)	-1%	33 550
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
Power Plants	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Community Assets	-	522	522	-	-	248	248	100%	522
Community Facilities	-	522	522	-	-	248	248	100%	522
Testing Stations	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	522	522	-	-	248	248	100%	522
Police	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Other assets	434	-	-	-	-	-	-	-	-
Operational Buildings	434	-	-	-	-	-	-	-	-
Municipal Offices	434	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	42 569	34 071	34 509	5 405	23 726	23 739	13	0%	34 071

Table SC13c: Quarterly Expenditure on Repairs & Maintenance

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	5 694	10 400	6 704	987	3 763	4 540	777	17%	10 400
Roads Infrastructure	1 266	4 000	2 000	185	1 281	1 398	117	8%	4 000
Roads	1 266	4 000	2 000	185	1 281	1 398	117	8%	4 000
Road Structures	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	1 891	3 000	1 000	183	830	826	(4)	-1%	3 000
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
MV Networks	1 891	3 000	1 000	183	830	826	(4)	-1%	3 000
Capital Spares	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	2 538	3 400	3 704	618	1 651	2 316	664	29%	3 400
Landfill Sites	2 538	3 400	3 704	618	1 651	2 316	664	29%	3 400
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Other assets	929	2 000	1 000	(165)	312	583	271	46%	2 000
Operational Buildings	929	2 000	1 000	(165)	312	583	271	46%	2 000
Municipal Offices	929	2 000	1 000	(165)	312	583	271	46%	2 000
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	(10)	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	(10)	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	4 905	3 550	1 670	1 273	1 556	1 099	(457)	-42%	3 550
Machinery and Equipment	4 905	3 550	1 670	1 273	1 556	1 099	(457)	-42%	3 550
Transport Assets	777	2 000	1 000	543	1 023	697	(326)	-47%	2 000
Transport Assets	777	2 000	1 000	543	1 023	697	(326)	-47%	2 000
Total Repairs and Maintenance Expenditure	12 305	17 950	10 374	2 629	6 655	6 919	264	4%	17 950

Supporting Tables SC13a and SC13b provide the details of capital expenditure by asset classification for new and replacements of assets separately, whilst Supporting Table SC13c measure's the extent to which the municipality's assets are maintained.

The capital expenditure on new assets amounted to R7, 532 million for the third quarter which reflects a 15% variance when compared to the quarterly target.

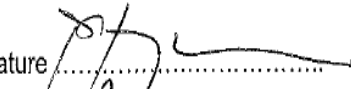
For renewal and upgrading of existing assets to R 5, 405 million has been spent during the third quarter on renewal of assets. This reflects 37% variance when compared to the target.

The repairs and maintenance for the third quarter amounted to R 2,629 million reflecting a 2% variance when compared to the third quarter target.

Quality Certificate

I, **KGWALE MAHLAGAUME MESHACK**, Acting Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the quarterly report and supporting documentation for the quarter ending 31 March 2019 have been prepared in accordance with the Municipal Finance Management Act and the regulation made under the Act.

Acting Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature 
Date *12 April 2019*

**Elias Motsoaledi Local
Municipality**

12 APR 2019

Municipal Manager