

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

December 2014

PART 1: IN - YEAR REPORT

PURPOSE

To report to the Council and submit to National and Provincial Treasury on the monthly financial performance of the Municipality as required by Section 71 of the Municipal Finance Management Act.

EXECUTIVE SUMMARY

Section 71 of the Municipal Finance Management Act deals with requirements for in-year reporting and further state that the Accounting Officer of the Municipality must by no later than 10 working days after end of each month submit to the Mayor and relevant Provincial Treasury, the monthly budget statement in the prescribed format on the state of the municipality's financial results.

IN YEAR BUDGET STATEMENT TABLES

Table C1 – Budget Statement Summary

LIM472 Elias Motsoaledi - Table C1 Monthly Budget Statement Summary - M06 December									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	23 842	30 000	-	1 826	10 295	15 000	(4 705)	-31%	30 000
Service charges	51 569	63 049	-	5 357	30 920	31 525	(605)	-2%	63 049
Investment revenue	3 036	2 800	-	38	1 686	1 400	286	20%	2 800
Transfers recognised - operational	146 803	170 641	-	-	122 705	122 705	37 385	44%	170 641
Other own revenue	13 659	13 628	-	(80)	7 176	6 814	362	5%	13 628
Total Revenue excluding capital transfers	238 910	280 118	-	7 141	172 781	140 059	32 722	23%	280 118
Employee costs	76 842	97 177	-	11 317	46 373	48 589	(2 216)	-5%	97 177
Remuneration of Councillors	15 233	16 273	-	1 331	8 797	8 137	660	8%	16 273
Depreciation & asset impairment	-	35 000	-	-	-	17 500	(17 500)	-100%	35 000
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	49 729	50 013	-	7 857	28 712	25 007	3 705	15%	50 013
Transfers and grants	-	9 600	-	164	366	4 800	(4 434)	-92%	9 600
Other expenditure	74 854	83 433	-	7 949	42 218	41 716	502	1%	83 433
Total Expenditure	216 657	291 497	-	28 618	126 466	145 748	(19 282)	-13%	291 497
Surplus/(Deficit)	22 253	(11 379)	-	(21 477)	46 315	(5 690)	52 005	-914%	(11 379)
Transfers recognised - capital	40 035	50 840	-	-	4 274	25 420	(21 146)	-83%	50 840
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers	62 288	39 461	-	(21 477)	50 589	19 730	30 858	156%	39 461
Surplus/ (deficit)	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	62 288	39 461	-	(21 477)	50 589	19 730	30 858	156%	39 461
Capital expenditure & funds sources									
Capital expenditure	45 872	77 290	-	7 446	11 985	38 645	(26 660)	-69%	77 290
Capital transfers recognised	37 608	50 840	-	7 012	10 760	25 420	(14 660)	-58%	50 840
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	8 264	26 450	-	434	1 225	13 225	(12 000)	-91%	26 450
Total sources of capital funds	45 872	77 290	-	7 446	11 985	38 645	(26 660)	-69%	77 290
Total current assets	96 884	72 269	-	-	142 831	-	-	-	72 269
Total non current assets	825 877	1 077 247	-	-	798 470	-	-	-	1 077 247
Total current liabilities	74 168	43 000	-	-	93 638	-	-	-	43 000
Total non current liabilities	27 077	40 000	-	-	30 512	-	-	-	40 000
Community wealth/Equity	821 516	1 066 516	-	-	817 151	-	-	-	1 066 516
Cash flows									
Net cash from (used) operating	68 580	72 559	-	(23 831)	(20 309)	36 280	56 588	156%	72 559
Net cash from (used) investing	(48 536)	(72 290)	-	(8 488)	(13 163)	(36 145)	(22 982)	64%	(72 290)
Net cash from (used) financing	22	500	-	10	4	250	246	98%	500
Cash/cash equivalents at the month/year end	35 400	20 769	-	-	56 902	20 385	(36 518)	-179%	91 138
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	8 222	4 743	2 959	2 448	2 483	1 787	13 524	24 322	60 486
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

The above C1 Sum table summarizes the following activities:-

Revenue:

The actual revenue for the month of December 2014 is R7, 141 million and the year to date actual is R172, 781 million. With a year to date budget of R140, 059 million, this reflects a favourable variance of R32, 722 million and all revenue generating activities reflect a positive variance except the following line items:

- Property rates: 31% unfavourable variance
- Service charges – refuse removal: 34% unfavourable variance
- Service charges – other: 73% unfavourable variance
- Fines: 46% unfavourable variance
- License and permits: 9% unfavourable variance

Operating Expenditure

The Operational expenditure for the month amounts to R28, 618 million and the year to date actuals amounts to R126, 466 million and the year to date budget is R145, 748 million. This reflects an unfavourable variance of 13% that is partly attributed to depreciation and asset impairment as well as debt impairment that have 100% unfavourable variance. Cognizance should be taken that the two line items non-cash items and as a result, they do not therefore affect the cash flow position and/or performance of the Municipality.

Capital Expenditure

The capital expenditure for the month of December amounts to R7, 446 million and the year to date capital expenditure amounts to R11, 985 million of which the R10, 760 million spending pertain to MIG funded project/s while the R1, 225 million pertains to internally funded project/s.

Surplus/Deficit

Taking the above into consideration, the net operating deficit for the month is R21, 477 million and the year to date results reflect a surplus amounting to R50, 589 million.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors for the month of December amounts to R60, 486 million of which R48, 353 million (79,94%) is consumer debtors and R12, 133 million (20, 06%) is sundry debtors.

Creditors

All creditors are paid within 30 days of receipt of invoice as required by MFMA and as a result, our creditor's age analysis does not have figures.

Table C2 – Financial Performance (Standard Classification)

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Standard									
Governance and administration	173 798	207 929	–	1 415	137 819	103 965	33 855	33%	207 929
Executive and council	1 271	934	–	–	412	467	(55)	-12%	934
Budget and treasury office	172 386	206 890	–	1 415	137 346	103 445	33 901	33%	206 890
Corporate services	142	105	–	0	61	53	8	16%	105
Community and public safety	5 403	7 686	–	509	2 942	3 843	(900)	-23%	7 686
Community and social services	46	1 353	–	31	200	677	(477)	-70%	1 353
Sport and recreation	2	25	–	20	20	13	8	63%	25
Public safety	5 354	6 308	–	458	2 722	3 154	(431)	-14%	6 308
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	38 468	52 357	–	(115)	5 536	26 179	(20 642)	-79%	52 357
Planning and development	22	77	–	0	9	39	(30)	-77%	77
Road transport	38 446	52 280	–	(115)	5 527	26 140	(20 613)	-79%	52 280
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	61 296	62 986	–	5 331	30 757	31 493	(736)	-2%	62 986
Electricity	58 572	56 430	–	5 035	29 030	28 215	815	3%	56 430
Water	(22)	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	2 746	6 556	–	297	1 727	3 278	(1 551)	-47%	6 556
Other	–	–	–	–	–	–	–	–	–
Total Revenue - Standard	278 965	330 958	–	7 141	177 055	165 479	11 576	7%	330 958
Expenditure - Standard									
Governance and administration	110 631	140 374	–	11 317	55 907	70 187	(14 280)	-20%	140 374
Executive and council	47 011	35 246	–	2 642	17 121	17 623	(502)	-3%	35 246
Budget and treasury office	19 075	64 053	–	3 383	13 420	32 027	(18 607)	-58%	64 053
Corporate services	44 545	41 074	–	5 292	25 366	20 537	4 829	24%	41 074
Community and public safety	14 337	50 987	–	4 305	19 063	25 493	(6 430)	-25%	50 987
Community and social services	3 336	20 771	–	2 132	8 852	10 385	(1 534)	-15%	20 771
Sport and recreation	–	445	–	–	–	223	(223)	-100%	445
Public safety	11 001	29 771	–	2 173	10 211	14 885	(4 674)	-31%	29 771
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	31 515	30 947	–	3 324	15 152	15 473	(321)	-2%	30 947
Planning and development	9 491	12 158	–	1 230	5 231	6 079	(848)	-14%	12 158
Road transport	22 024	18 789	–	2 094	9 921	9 394	527	6%	18 789
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	60 174	69 190	–	9 673	36 344	34 595	1 749	5%	69 190
Electricity	50 471	56 772	–	8 382	30 119	28 386	1 733	6%	56 772
Water	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	9 704	12 418	–	1 290	6 225	6 209	16	0%	12 418
Other	–	–	–	–	–	–	–	–	–
Total Expenditure - Standard	216 657	291 497	–	28 618	126 466	145 748	(19 282)	-13%	291 497
Surplus/ (Deficit) for the year	62 308	39 461	–	(21 477)	50 589	19 730	30 858	156%	39 461

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

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	-	-	-	-	-	-	-		-
Vote 2 - Office of the Municipal Manager	890	934	-	-	412	467	(55)	-11.8%	934
Vote 3 - Budget & Treasury	172 386	206 890	-	1 415	137 346	103 445	33 901	32.8%	206 890
Vote 4 - Corporate Services	142	105	-	0	61	53	8	16.2%	105
Vote 5 - Community Services	8 529	14 242	-	806	4 670	7 121	(2 451)	-34.4%	14 242
Vote 6 - Technical Services	96 996	108 710	-	4 920	34 557	54 355	(19 798)	-36.4%	108 710
Vote 7 - Strategic Deveopment	-	-	-	-	-	-	-		-
Vote 8 - Developmental Planning	22	77	-	0	9	39	(30)	-76.6%	77
Total Revenue by Vote	278 965	330 958	-	7 141	177 055	165 479	11 576	7.0%	330 958
Expenditure by Vote									
Vote 1 - Executive & Council	24 932	25 556	-	2 115	13 551	12 778	772	6.0%	25 556
Vote 2 - Office of the Municipal Manager	6 299	9 690	-	527	3 571	4 845	(1 274)	-26.3%	9 690
Vote 3 - Budget & Treasury	19 075	64 053	-	3 383	13 420	32 027	(18 607)	-58.1%	64 053
Vote 4 - Corporate Services	44 545	41 074	-	5 292	25 366	20 537	4 829	23.5%	41 074
Vote 5 - Community Services	39 820	63 405	-	5 595	25 288	31 702	(6 415)	-20.2%	63 405
Vote 6 - Technical Services	72 494	75 560	-	10 476	40 040	37 780	2 260	6.0%	75 560
Vote 7 - Strategic Deveopment	4 571	6 223	-	758	2 966	3 111	(146)	-4.7%	6 223
Vote 8 - Developmental Planning	4 920	5 936	-	472	2 265	2 968	(702)	-23.7%	5 936
Total Expenditure by Vote	216 657	291 497	-	28 618	126 466	145 748	(19 282)	-13.2%	291 497
Surplus/ (Deficit) for the year	62 308	39 461	-	(21 477)	50 589	19 730	30 858	156.4%	39 461

Table C2 and C3 measure the monthly actuals and year to date actuals against the year to date budget. The aforementioned budget tables are presented by vote and standard classification for both revenue and expenditure. 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: Financial Performance by Revenue Source and Expenditure Type

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	23 842	30 000	–	1 826	10 295	15 000	(4 705)	-31%	30 000
Property rates - penalties & collection charges	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	48 848	55 300	–	5 034	28 849	27 650	1 199	4%	55 300
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2 721	5 188	–	296	1 721	2 594	(873)	-34%	5 188
Service charges - other	–	2 561	–	27	350	1 281	(931)	-73%	2 561
Rental of facilities and equipment	758	1 055	–	65	1 178	528	651	123%	1 055
Interest earned - external investments	3 036	2 800	–	38	1 686	1 400	286	20%	2 800
Interest earned - outstanding debtors	407	5 000	–	49	2 840	2 500	340	14%	5 000
Dividends received	–	–	–	–	–	–	–	–	–
Fines	461	610	–	14	165	305	(140)	-46%	610
Licences and permits	4 893	5 648	–	445	2 559	2 824	(265)	-9%	5 648
Agency services	(22)	–	–	–	–	–	–	–	–
Transfers recognised - operational	146 803	170 641	–	–	122 705	122 705	–	0%	170 641
Other revenue	7 161	1 315	–	(653)	434	658	(224)	-34%	1 315
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Revenue excluding capital transfers	238 910	280 118	–	7 141	172 781	140 059	32 722	23%	280 118
Expenditure By Type									
Employee related costs	76 842	97 177	–	11 317	46 373	48 589	(2 216)	-5%	97 177
Remuneration of councillors	15 233	16 273	–	1 331	8 797	8 137	660	8%	16 273
Debt impairment	–	3 000	–	–	–	1 500	(1 500)	-100%	3 000
Depreciation & asset impairment	–	35 000	–	–	–	17 500	(17 500)	-100%	35 000
Finance charges	–	–	–	–	–	–	–	–	–
Bulk purchases	47 505	47 000	–	7 854	27 831	23 500	4 331	18%	47 000
Other materials	2 224	3 013	–	3	881	1 507	(625)	-41%	3 013
Contracted services	9 798	8 700	–	1 675	5 152	4 350	802	18%	8 700
Transfers and grants	–	9 600	–	164	366	4 800	(4 434)	-92%	9 600
Other expenditure	65 056	71 733	–	6 274	37 066	35 866	1 199	3%	71 733
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Expenditure	216 657	291 497	–	28 618	126 466	145 748	(19 282)	-13%	291 497
Surplus/(Deficit)	22 253	(11 379)	–	(21 477)	46 315	(5 690)	52 005	(0)	(11 379)
Transfers recognised - capital	40 035	50 840	–	–	4 274	25 420	(21 146)	(0)	50 840
Contributions recognised - capital	–	–	–	–	–	–	–	–	–
Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers	62 288	39 461	–	(21 477)	50 589	19 730	–	–	39 461
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	62 288	39 461	–	(21 477)	50 589	19 730	–	–	39 461
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	62 288	39 461	–	(21 477)	50 589	19 730	–	–	39 461
Surplus/ (deficit)	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	62 288	39 461	–	(21 477)	50 589	19 730	–	–	39 461

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections or targets are on property rates, refuse revenue, service charges other, fines, and license and permits. All other sources reflect a positive variance. In the case of expenditure, all year to date actuals reflects an under spending except the bulk purchase (18 % variance) and remuneration of councilors (8% variance).

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it's 10% and more. These reasons are provided in Supporting Table SC1.

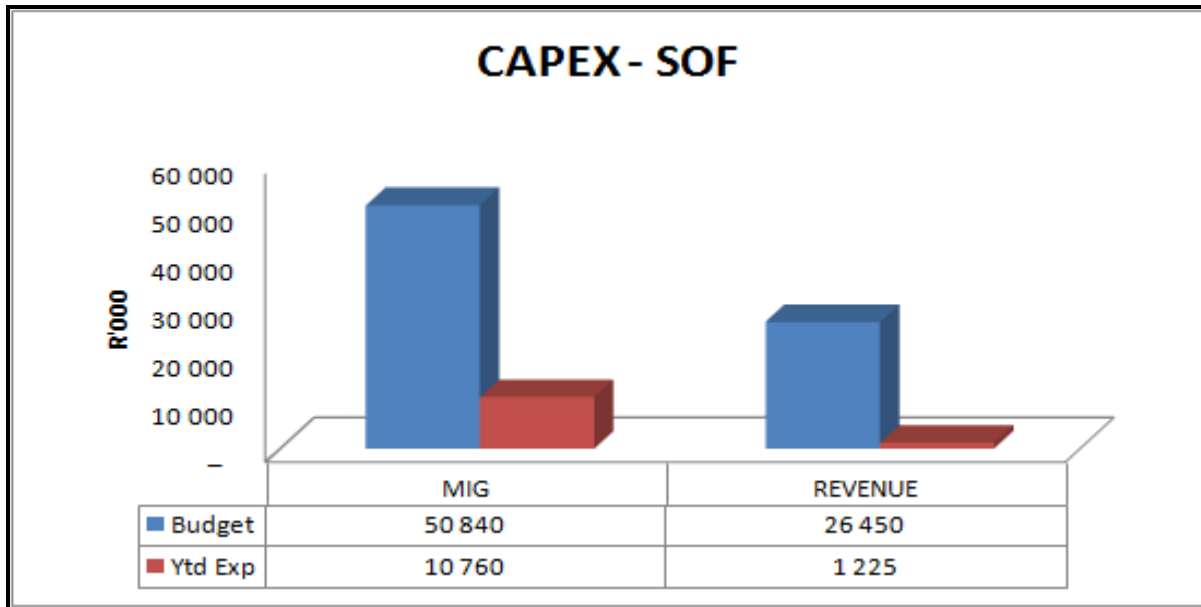
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Standard Classification									
Governance and administration	1 958	1 300	-	40	627	650	(23)	-3%	1 300
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	74	-	-	-	-	-	-	-	-
Corporate services	1 884	1 300	-	40	627	650	(23)	-3%	1 300
Community and public safety	-	500	-	-	-	250	(250)	-100%	500
Community and social services	-	500	-	-	-	250	(250)	-100%	500
Economic and environmental services	37 451	66 940	-	7 406	11 182	33 470	(22 288)	-67%	66 940
Planning and development	-	1 500	-	395	395	750	(355)	-47%	1 500
Road transport	37 451	65 440	-	7 012	10 787	32 720	(21 933)	-67%	65 440
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	6 463	7 950	-	-	176	3 975	(3 799)	-96%	7 950
Electricity	6 463	7 950	-	-	176	3 975	(3 799)	-96%	7 950
Other	-	600	-	-	-	300	(300)	-100%	600
Total Capital Expenditure - Standard Classification	45 872	77 290	-	7 446	11 985	38 645	(26 660)	-69%	77 290
Funded by:									
National Government	37 608	50 840	-	7 012	10 760	25 420	(14 660)	-58%	50 840
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	37 608	50 840	-	7 012	10 760	25 420	(14 660)	-58%	50 840
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	8 264	26 450	-	434	1 225	13 225	(12 000)	-91%	26 450
Total Capital Funding	45 872	77 290	-	7 446	11 985	38 645	(26 660)	-69%	77 290

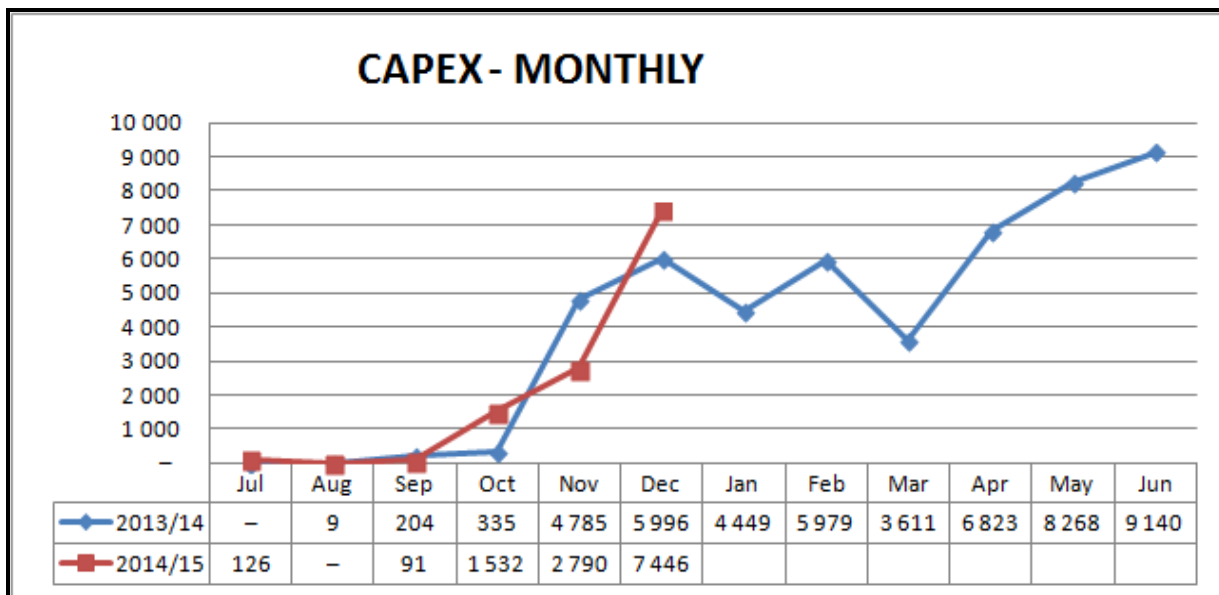
Table C5C: Monthly Capital Expenditure by Vote

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure - Municipal Vote									
Expenditure of multi-year capital appropriation									
Vote 4 - Corporate Services	-	1 300	-	40	627	650	(23)	-3%	1 300
4.1 - Corporate Services 505		1 300		40	627	650	(23)	-3%	1 300
Vote 5 - Community Services	-	500	-	-	-	250	(250)	-100%	500
5.7 - Parks & Cemetery 405 & 425		500				250	(250)	-100%	500
Vote 6 - Technical Services	42 001	43 379	-	2 037	4 556	21 690	(17 134)	-79%	43 379
6.1 - Electricity 260	4 773	1 150		-	176	575	(399)	-69%	1 150
6.6 - Technical Services 645	37 228	42 229		2 037	4 380	21 115	(16 735)	-79%	42 229
Total multi-year capital expenditure	42 001	45 179	-	2 077	5 183	22 590	(17 406)	-77%	45 179
Capital expenditure - Municipal Vote									
Expenditure of single-year capital appropriation							-		
Vote 3 - Budget & Treasury	74	-	-	-	-	-	-		-
3.1 - Budget & Treasury 800	74								
Vote 4 - Corporate Services	1 884	-	-	-	-	-	-		-
4.1 - Corporate Services 505	1 884								
Vote 6 - Technical Services	1 914	30 611	-	4 975	6 407	15 305	(8 898)	-58%	30 611
6.1 - Electricity 260	1 690	4 200		-	-	2 100	(2 100)	-100%	4 200
6.6 - Technical Services 645	224	26 411		4 975	6 407	13 205	(6 798)	-51%	26 411
Vote 8 - Developmental Planning	-	1 500	-	395	395	750	(355)	-47%	1 500
8.1 - Planning & LED 641		1 500		395	395	750	(355)	-47%	1 500
Total single-year capital expenditure	3 872	32 111	-	5 369	6 802	16 055	(9 254)	(0)	32 111
Total Capital Expenditure	45 872	77 290	-	7 446	11 985	38 645	(26 660)	(0)	77 290

The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and funding. For the month of December 2014, R7, 446 million spending was incurred and the year to date capital expenditure amounts to R11, 985 million which shows an unfavourable variance of R26, 660 million against the year to date budget of R 38, 645 million and this constitutes an under spending variance of 69%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R77, 290 million, R50, 840 million is funded from Municipal Infrastructure grant and R26, 450 million from Own Revenue. The spending to date per sources of finance is R10, 760 million on MIG and R1, 225 million on own revenue.



The above graph compares the 2013/14 and 2014/15 monthly capital expenditure performance. In addition, the graph shows adoption of 2013/14 spending pattern that was below par and poses concern regarding the material underspending of MIG allocation since only 21% of this allocation is spent as at end of December 2014.

Table C6: Monthly Budget Statement Financial Position

Description	2013/14	Budget Year 2014/15			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	2 883	5 769	–	23 439	5 769
Call investment deposits	32 332	15 000	–	33 463	15 000
Consumer debtors	9 276	30 000	–	22 516	30 000
Other debtors	50 101	16 500	–	60 748	16 500
Current portion of long-term receivables	–	–	–	–	–
Inventory	2 291	5 000	–	2 666	5 000
Total current assets	96 884	72 269	–	142 831	72 269
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	–	–	–	–	–
Investment property	80 617	220 000	–	85 382	220 000
Investments in Associate	–	–	–	–	–
Property, plant and equipment	722 574	830 229	–	713 088	830 229
Agricultural	–	–	–	–	–
Biological assets	12	18	–	–	18
Intangible assets	22 674	27 000	–	–	27 000
Other non-current assets	–	–	–	–	–
Total non current assets	825 877	1 077 247	–	798 470	1 077 247
TOTAL ASSETS	922 761	1 149 516	–	941 301	1 149 516
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	–	–	–	–	–
Consumer deposits	3 307	5 000	–	3 220	5 000
Trade and other payables	70 861	38 000	–	90 417	38 000
Provisions	–	–	–	–	–
Total current liabilities	74 168	43 000	–	93 638	43 000
Non current liabilities					
Borrowing	–	–	–	–	–
Provisions	27 077	40 000	–	30 512	40 000
Total non current liabilities	27 077	40 000	–	30 512	40 000
TOTAL LIABILITIES	101 245	83 000	–	124 150	83 000
NET ASSETS	821 516	1 066 516	–	817 151	1 066 516
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	821 516	1 066 516	–	817 151	1 066 516
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	821 516	1 066 516	–	817 151	1 066 516

The above table shows that community wealth amounts to R817, 151 million, total liabilities R124, 150 million and the total assets R 941, 301 million.

Table C7: Monthly Budget Statement Cash Flow

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	83 043	107 021	-	4 694	39 916	53 511	(13 594)	-25%	107 021
Government - operating	146 803	170 641	-	-	122 705	85 321	37 385	44%	170 641
Government - capital	54 134	50 840	-	-	4 274	25 420	(21 146)	-83%	50 840
Interest	8 437	8 105	-	94	2 772	4 053	(1 281)	-32%	8 105
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(223 685)	(254 448)	-	(28 454)	(189 609)	(127 224)	62 385	-49%	(254 448)
Finance charges	(152)	-	-	-	-	-	-	-	-
Transfers and Grants	-	(9 600)	-	(164)	(366)	(4 800)	(4 434)	92%	(9 600)
NET CASH FROM/(USED) OPERATING ACTIVITIES	68 580	72 559	-	(23 831)	(20 309)	36 280	56 588	156%	72 559
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	-	5 000	-	-	500	2 500	(2 000)	-80%	5 000
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(48 536)	(77 290)	-	(8 488)	(13 663)	(38 645)	(24 982)	65%	(77 290)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(48 536)	(72 290)	-	(8 488)	(13 163)	(36 145)	(22 982)	64%	(72 290)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	22	500	-	10	4	250	(246)	-98%	500
Payments									
Repayment of borrowing	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	22	500	-	10	4	250	246	98%	500
NET INCREASE/ (DECREASE) IN CASH HELD	20 066	769	-	(32 309)	(33 467)	385			769
Cash/cash equivalents at beginning:	15 334	20 000	-	-	90 369	20 000	-	-	90 369
Cash/cash equivalents at month/year end:	35 400	20 769	-	-	56 902	20 385	-	-	91 138

Table C7 presents details pertaining to cash flow performance. For the month of December 2014, the net cash outflow from operating activities is R23, 831 million (year to date actual R20, 309 million - inflow) whilst net cash outflow from investing activities is R8, 488 million (year to date actual R13, 163 million) that is mainly comprised of capital expenditure movement; and the net cash outflow from financing activities is R 10 thousand (year to date actual R4 thousand). The cash and cash equivalent held at the end of December 2014 amounted to R56, 902 million that is made up of cash amounting R23, 439 million and short term investments of R33, 463 million.

PART 2: SUPPORTING TABLES

Supporting Table: SC 1 – Material variance explanations

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source			
Property rates	-31%	Revenue forgone including transactions that are supposed to be classified as grants paid out.	Finance is in a process of unbundling revenue forgone to ensure correct classification of transactions thereof
Service charges - other	-73%	Effluent charges and line items such as reconnection fees appear to be occurring at lower rate relative to the anticipated rate thereof.	Budget will be adjusted downwards.
Service charges - refuse revenue	-34%	Some areas/townships that enjoy this service type are not getting billed for it (e.g. Motetema township).	Revenue enhancement strategy is in a process of being rolled out and this campaign is aimed at augmenting revenue from basic services.
Fines	-46%	Low rate of traffic fines issued relative to	Budget will be adjusted downwards.
Expenditure By Type			
Depreciation & asset impairment	-100%	Non calculation of monthly actual depreciation	Asset register will be uploaded on to the financial system and the monthly depreciation would then be generated automatically by the system
Transfers and grants	-92%	This is caused by some of pertinent transactions being classified as revenue forgone as opposed to transfers and grants paid out.	The unbundling of revenue forgone will ensure that transactions that need to be classified as transfers and grants paid out would then be classified as such.
Debt impairment	-100%	Non writing of bad or uncollectable debts	Bad or uncollectable debts will be identified and submission will then be made to Council for write off. Budget will be adjusted upwards.
Capital Expenditure			
Grants funded projects	-58%	Most of the major projects have not yet	Bid documents for all the advertised projects are currently undergoing the SCM committees.
Own revenue funded projects	-91%	All major projects that are funded internally have not yet kick started as well.	Bid documents for all the advertised projects are currently undergoing the SCM committees.
Cash Flow			
Proceeds on disposal of PPE	-80%	Non conducting of auctions of assets to	Only one auction has been conducted in the current financial year.
Government - capital	79%	Underspending on MIG.	The grant will accordingly be spent once the municipality appoints service providers on MIG funded projects.
Increase (decrease) in consumer deposits	-98%	The budget was provided in favour of the increase in consumer deposit, however the actuals for the first quarter reflect a decrease.	The budget will be adjusted as per the actuals for six months period.

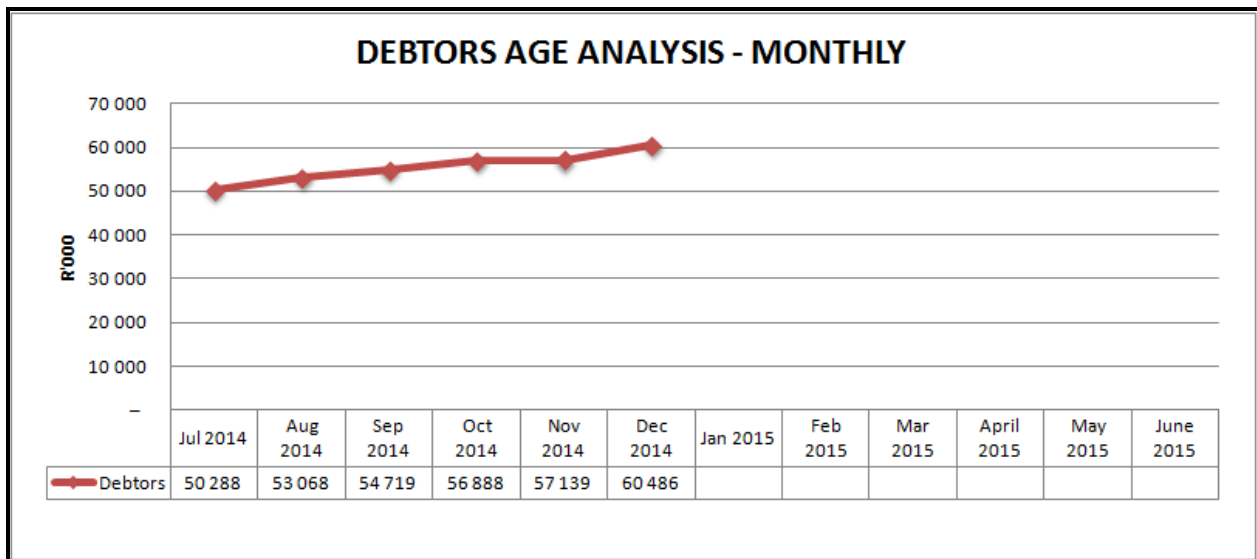
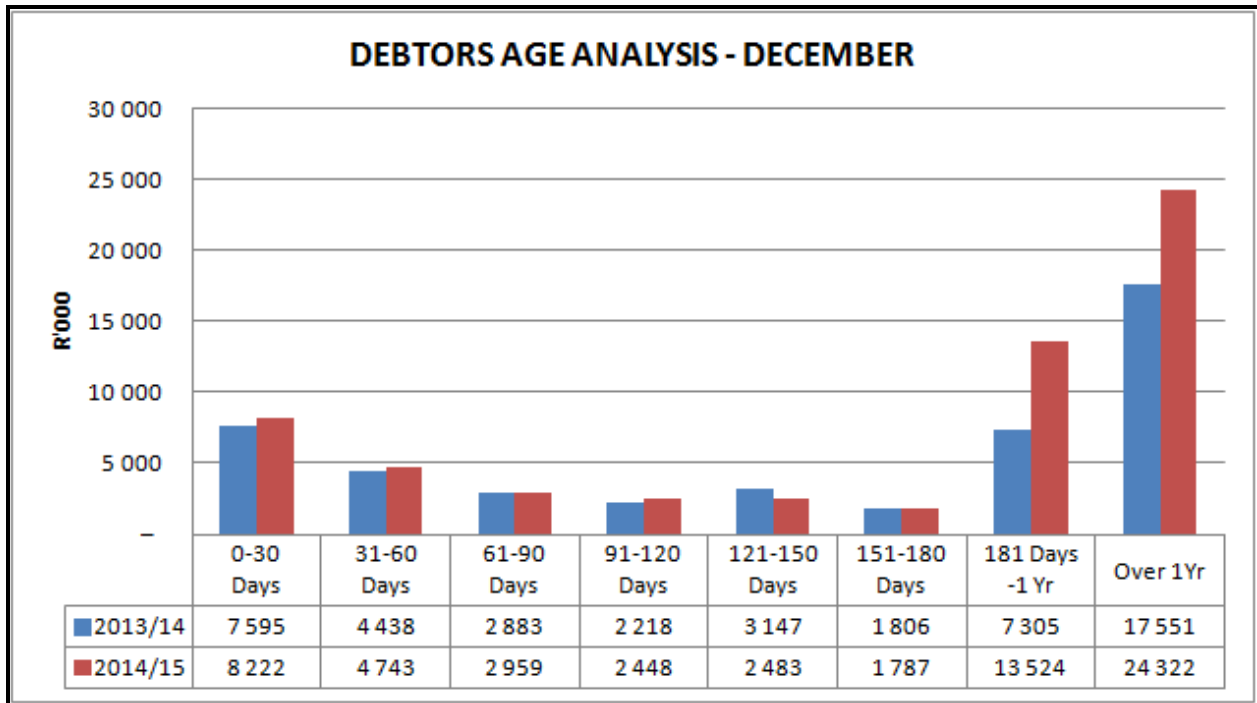
Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2014/15								Total
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	4 910	2 468	1 023	802	502	431	2 110	3 795	16 042
Receivables from Non-exchange Transactions - Property Rates	1 793	1 289	1 049	941	883	874	9 487	13 111	29 438
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	279	176	88	56	41	30	154	1 241	2 068
Receivables from Exchange Transactions - Property Rental Debtors	53	35	21	24	591	3	2	76	807
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-
Other	1 187	764	777	624	465	448	1 771	6 098	12 133
Total By Income Source	8 222	4 743	2 959	2 448	2 483	1 787	13 524	24 322	60 486
2013/14 - totals only	7 452	3 726	1 948	1 661	28 195	-	-	-	42 983
Debtors Age Analysis By Customer Group									
Organs of State	1 299	880	811	905	698	692	3 953	9 214	18 453
Commercial	3 323	1 305	517	329	357	164	694	1 971	8 660
Households	2 097	1 447	906	701	475	432	1 966	9 894	17 917
Other	1 503	1 111	725	512	953	499	6 911	3 243	15 456
Total By Customer Group	8 222	4 743	2 959	2 448	2 483	1 787	13 524	24 322	60 486

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of December 2014 amount to R60, 648 million. The debtors' book is made up as follows:

- Rates 48,67%
- Electricity 26,52%
- Rental 1, 33%
- Refuse removal 3,42%
- Other 20,06%

The debtors' age analysis is graphically presented below.



The initial graph compares debtors' age analysis for 2013/14 (December 2013) and 2014/15 (as at end of December 2014) whilst the latter shows monthly movement of debtors in the current financial year.

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2014/15								Total
	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	
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. All creditors for the month were paid within the stipulated period of thirty days and no creditors were outstanding for more than 30 days, hence the age analysis table is blank

TOP TWENTY CREDITORS PAID:

NUMBER	CREDITOR NAME	AMOUNT
777	VISION PRINT GRAPHICS & DESIGN	422 940
1256	MANY LE MANG CONSTRUCTION	198 000
35537	LATHULA NAKEDI TRADE & GENERAL	150 414
4001	MOKWENA MOTORS T/A NONYANE MOTORS	130 500
32409	MAKGONATSOHLE TRADING ENTERPRISE	110 075
35552	TSHETHA INVESTMENT	107 502
37784	NRESNZALO RELEBOGILE ENGINEERING	95 438
35403	BONGILEMASHUMI C C	76 543
1956	MOKKWARIPA TRADING	65 586
40010	LENABA PROJECTS AND TRANSPORT	52 800
37539	SEROLE TRAVEL AGENCY	50 000
37790	K2014186685 (SA) PTY LTD	35 625
37592	MAUNYATLALA SHAKWANA (PTY) LTD	31 600
35407	ARIANO 521 CC t/a LEFASE HARDWARE	29 987
37609	SIYAZIZWA INVESTMENTS HOLDINGS	29 700
32405	THELIKES TRADING & ENTERPRISE	29 400
40008	IHLO LA BAKWENA TRADING & PROJECTS	29 260
32104	HUNADI WA MPHELA TRADING & PROJECTS	28 450
1113	T4 REASONS TRADING ENTERPRISE	27 500
40009	LEKONASE CONSTRUCTION PTY LTD	-
GRAND TOTAL		1 701 320

The above table presents the top twenty creditors paid during the month of December 2014 and an amount of R1, 701 million was paid for these creditors.

Supporting Table: SC 5 - Investment Portfolio

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality								
Sanlam	1 Month	Short term	31-Dec-2014	–	0.00%	325	–	325
Nedbank	3 Months	Short term	28-Dec-2014	–	0.00%	32 290	–	32 290
Absa	3 Months	Short term	27-Dec-2014	40	0.25%	15 809	15 000	849
TOTAL INVESTMENTS AND INTEREST				40		48 423	15 000	33 463

Supporting table SC5 presents all investments that indicate that total amount of R 33, 463 million has been invested as at end of December 2014. The opening balance was R48, 423 million, accrued interest for the month amounted to R40 thousand and a withdrawal of R15, 000 million was made during the month of December.

Supporting Table: SC 6 - Transfers and Grant Receipts

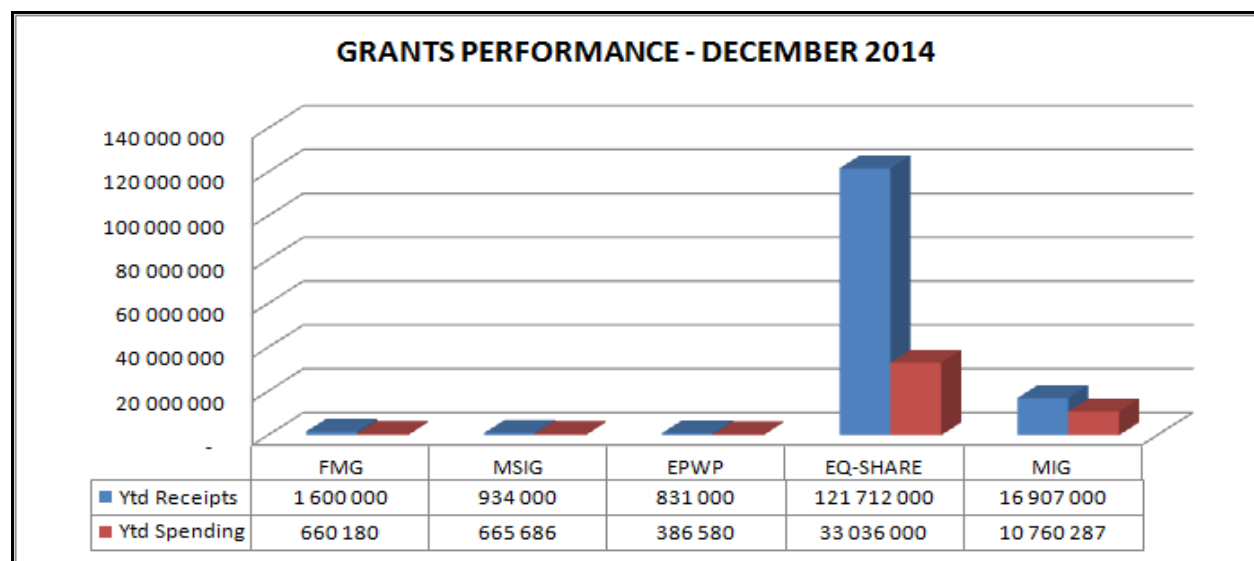
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	146 878	170 641	–	356	125 077	125 077	–		170 641
Local Government Equitable Share	143 438	166 920	–	–	121 712	121 712	–	–	166 920
Finance Management	1 550	1 600	–	–	1 600	1 600	–	–	1 600
Municipal Systems Improvement	890	934	–	–	934	934	–	–	934
EPWP Incentive	1 000	1 187	–	356	831	831	–	–	1 187
Total Operating Transfers and Grants	146 878	170 641	–	356	125 077	125 077	–		170 641
Capital Transfers and Grants									
National Government:	53 596	50 840	–	–	16 907	16 907	–		50 840
Municipal Infrastructure Grant (MIG)	43 596	50 840	–	–	16 907	16 907	–	–	50 840
Intergrated National Electrification Grant	10 000		–	–			–	–	
Total Capital Transfers and Grants	53 596	50 840	–	–	16 907	16 907	–		50 840
TOTAL RECEIPTS OF TRANSFERS & GRANTS	200 474	221 481	–	356	141 984	141 984	–		221 481

Supporting tables SC6 provide details of grants received. The year to date actual receipts amounts to R141, 984 million of which the major portion is attributed to equitable share (i.e. R121, 712 million) received. Other grants include amongst others, FMG, MSIG, EPWP and MIG. An amount of R 356 thousand was received from EPWP during December month. Cognizance should be taken that not all transfers and grants for the financial year 2014/15 have been received from National treasury except FMG and MSIG that have been fully received.

Supporting Table: SC 7 Transfers and grants - Expenditure

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	146 878	170 641	-	5 612	34 453	85 321	(50 867)	-59.6%	170 641
Local Government Equitable Share	143 438	166 920	-	5 506	33 036	83 460	(50 424)	-60.4%	166 920
Finance Management	1 550	1 600	-	106	660	800	(140)	-17.5%	1 600
Municipal Systems Improvement	890	934	-	255	666	467	199	42.5%	934
EPWP Incentive	1 000	1 187	-	11	387	594	(247)	-34.9%	1 187
Total operating expenditure of Transfers and Grants:	146 878	170 641	-	5 878	34 748	85 321	(50 572)	-59.3%	170 641
Capital expenditure of Transfers and Grants									
National Government:	42 437	50 840	-	7 012	10 760	25 420	(14 660)	-57.7%	50 840
Municipal Infrastructure Grant (MIG)	38 442	50 840	-	7 012	10 760	25 420	(14 660)	-57.7%	50 840
Intergrated National Electrification Grant	3 995						-		
Total capital expenditure of Transfers and Grants	42 437	50 840	-	7 012	10 760	25 420	(14 660)	-57.7%	50 840
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	189 315	221 481	-	12 889	45 509	110 741	(65 232)	-58.9%	221 481

An amount of R12, 889 million has been spent on grants during the month of December and the year to date actual expenditure amounts to R 45, 509 million. R34, 748 million is spent from operational grants while R10, 760 million is spent from capital grant (MIG in particular).



The above graph depicts the year to date receipts on grants and the year to date expenditure thereof. The grants expenditure on funds already received (as opposed to budget) is further shown below in percentages:

- Financial Management Grant 41.26%
- Municipal Systems Improvement Grant 71.27%
- Expanded Public Work Programme 46.52%
- Equitable Share 27.14%
- Municipal Infrastructure Grant 63,64%

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councillor remuneration	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	10 270	10 586	-	895	6 118	5 293	825	16%	10 586
Pension and UIF Contributions	953	1 417	-	81	488	708	(221)	-31%	1 417
Medical Aid Contributions	170	160	-	19	127	80	47	59%	160
Motor Vehicle Allowance	3 840	4 066	-	321	1 934	2 033	(99)	-5%	4 066
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	0	45	-	15	130	23	107	478%	45
Sub Total - Councillors	15 233	16 273	-	1 331	8 797	8 137	660	8%	16 273
% increase		6.8%							6.8%
Senior Managers of the Municipality									
Basic Salaries and Wages	3 335	5 131	-	375	2 217	2 565	(348)	-14%	5 131
Pension and UIF Contributions	-	400	-	20	147	200	(53)	-26%	400
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	827	1 292	-	82	409	646	(237)	-37%	1 292
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	67	-	1	50	33	17	50%	67
Payments in lieu of leave	-	60	-	-	-	30	(30)	-100%	60
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	4 162	6 949	-	477	2 823	3 474	(651)	-19%	6 949
% increase		67.0%							67.0%
Other Municipal Staff									
Basic Salaries and Wages	49 972	60 245	-	4 625	28 216	30 122	(1 906)	-6%	60 245
Pension and UIF Contributions	9 902	13 223	-	927	5 528	6 612	(1 083)	-16%	13 223
Medical Aid Contributions	2 621	3 076	-	237	1 369	1 538	(169)	-11%	3 076
Overtime	1 172	775	-	22	550	388	163	42%	775
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3 718	4 451	-	383	2 405	2 226	179	8%	4 451
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	67	120	-	7	46	60	(14)	-24%	120
Other benefits and allowances	699	7 483	-	4 477	5 151	3 742	1 409	38%	7 483
Payments in lieu of leave	4 528	855	-	162	285	428	(143)	-33%	855
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	72 680	90 228	-	10 840	43 550	45 114	(1 564)	-3%	90 228
% increase		24.1%							24.1%
Total Parent Municipality	92 075	113 451	-	12 648	55 170	56 725	(1 555)	-3%	113 451
		23.2%							23.2%
TOTAL SALARY, ALLOWANCES & BENEFITS	92 075	113 451	-	12 648	55 170	56 725	(1 555)	-3%	113 451
% increase		23.2%							23.2%
TOTAL MANAGERS AND STAFF	76 842	97 177	-	11 317	46 373	48 589	(2 216)	-5%	97 177

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for December 2014 amounts to R11, 317 million and the year to date actual expenditure amounted to R46, 373 million that is less by 5%.

Description	Budget Year 2014/15												2014/15 Medium Term Revenue			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget	Budget	Budget	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Year	Year +1	Year +2	
Cash Receipts By Source																
Property rates	1 342	1 095	1 961	971	1 297	871	--	--	--	--	--	22 463	30 000	32 674	33 438	
Property rates - penalties & collection charges	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Service charges - electricity revenue	4 572	3 825	5 813	4 100	3 963	2 952	--	--	--	--	--	30 075	55 300	57 170	58 255	
Service charges - water revenue	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Service charges - sanitation revenue	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Service charges - refuse	273	223	308	243	218	181	--	--	--	--	--	3 742	5 188	6 475	6 824	
Service charges - other	63	63	(7)	253	23	27	--	--	--	--	--	2 139	2 561	2 884	3 039	
Rental of facilities and equipment	57	46	110	114	88	65	--	--	--	--	--	575	1 055	1 091	1 150	
Interest earned - external investments	--	444	1 082	724	--	38	--	--	--	--	--	512	2 800	3 273	3 449	
Interest earned - outstanding debtors	98	64	729	59	58	56	--	--	--	--	--	3 937	5 000	5 270	5 555	
Dividends received	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Fines	24	34	18	26	50	14	--	--	--	--	--	445	610	1 065	1 122	
Licences and permits	--	531	532	517	534	347	--	--	--	--	--	3 186	5 648	5 810	6 124	
Agency services	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Transfer receipts - operating	66 140	84	42	476	55 962	--	--	--	--	--	--	47 936	170 641	216 460	220 780	
Other revenue	1 632	266	7 632	52	221	98	--	--	--	--	--	(3 587)	6 315	1 480	1 560	
Cash Receipts by Source	74 201	6 676	18 220	7 535	62 414	4 647	--	--	--	--	--	111 423	285 118	333 651	341 297	
Other Cash Flows by Source																
Transfer receipts - capital	--	--	--	1 058	3 112	--	--	--	--	--	--	46 671	50 840	61 901	56 245	
Contributions & Contributed assets	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Proceeds on disposal of PPE	--	--	--	--	--	--	--	--	--	--	--	5 000	5 000	400	1 800	
Short term loans	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Borrowing long term/refinancing	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Increase in consumer deposits	(3)	(22)	(1)	24	(4)	10	--	--	--	--	--	496	500	500	1 000	
Receipt of non-current debtors	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Receipt of non-current receivables	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Change in non-current investments	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Total Cash Receipts by Source	74 198	6 654	18 220	8 617	65 522	4 658	--	--	--	--	--	163 590	341 458	396 452	400 342	
Cash Payments by Type																
Employee related costs	6 941	6 937	6 388	7 120	7 071	11 317	--	--	--	--	--	51 404	97 177	112 826	119 245	
Remuneration of councillors	1 931	1 324	1 324	1 349	1 343	1 331	--	--	--	--	--	7 671	16 273	17 163	18 090	
Interest paid	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Bulk purchases - Electricity	5 635	6 018	4 094	4 590	(860)	7 854	--	--	--	--	--	19 689	47 000	49 538	52 213	
Bulk purchases - Water & Sewer	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Other materials	290	136	130	141	180	3	--	--	--	--	--	2 132	3 013	1 918	2 022	
Contracted services	872	872	867	867	--	1 675	--	--	--	--	--	3 548	8 700	11 067	11 665	
Grants and subsidies paid - other municipalities	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Grants and subsidies paid - other	94	53	55	55	(55)	164	--	--	--	--	--	9 234	9 600	12 859	13 553	
General expenses	9 563	6 282	595	17 523	13 588	7 292	--	--	--	--	--	16 890	71 733	89 486	90 373	
Cash Payments by Type	25 326	21 623	13 452	31 644	21 267	29 636	--	--	--	--	--	110 549	253 497	294 858	307 160	
Other Cash Flows/Payments by Type																
Capital assets	126	--	91	1 532	3 181	8 488	--	--	--	--	--	63 872	77 290	96 225	90 589	
Repayment of borrowing	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Other Cash Flows/Payments	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Total Cash Payments by Type	25 452	21 623	13 544	33 176	24 447	38 125	--	--	--	--	--	174 421	330 787	391 082	397 749	
NET INCREASE/(DECREASE) IN CASH HELD	48 746	(14 968)	4 676	(24 559)	41 075	(33 467)	--	--	--	--	--	(10 831)	10 671	5 370	2 592	
Cash/cash equivalents at the month/year beginning:	35 400	84 146	69 178	73 854	49 295	90 369	56 902	56 902	56 902	56 902	56 902	56 902	35 400	46 071	51 441	
Cash/cash equivalents at the month/year end:	84 146	69 178	73 854	49 295	90 369	56 902	56 902	56 902	56 902	56 902	56 902	46 071	46 071	51 441	54 033	

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly cash receipts reflect an amount of R 4, 647 million excluding the capital transfer receipts and the total cash payment for the month were R38, 125 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
Monthly expenditure performance									
July	–	274	–	126	126	274	148	54.1%	0.16%
August	9	634	–	–	126	908	908	100.0%	0.16%
September	204	4 420	–	91	217	5 327	5 110	95.9%	0.28%
October	335	6 173	–	1 532	1 749	11 501	9 752	84.8%	2%
November	4 785	13 178	–	2 790	4 539	24 679	20 140	81.6%	6%
December	5 996	4 883	–	7 446	11 985	29 562	17 577	59.5%	16%
January	4 449	2 130	–	–	–	31 692	–	–	–
February	5 979	6 039	–	–	–	37 731	–	–	–
March	3 611	5 274	–	–	–	43 005	–	–	–
April	6 823	13 008	–	–	–	56 013	–	–	–
May	8 268	5 464	–	–	–	61 477	–	–	–
June	5 413	15 813	–	–	–	77 290	–	–	–
Total Capital expenditure	45 872	77 290	–	11 985	–	–	–	–	–

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of December amounts to R7, 446 million. The capital budget spending still need to be given thorough consideration since the average monthly spending is lower than the projected monthly expenditure.

In terms of the year to date budget, the spending was anticipated to be at R 29, 562 million based on the original budget and only R11, 985 million has actually been spent to date. This reflects year to date variance of 59, 5%.

Supporting Table: SC 13(a) Capital Expenditure on New Assets

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets									
Infrastructure	37 052	51 239	-	6 334	9 897	25 620	15 722	61.4%	51 239
Infrastructure - Road transport	30 589	49 239	-	6 334	9 897	24 620	14 722	59.8%	49 239
<i>Roads, Pavements & Bridges</i>	30 589	47 739	-	6 334	9 871	23 870	13 999	58.6%	47 739
<i>Storm water</i>		1 500	-	-	27	750	724	96.5%	1 500
Infrastructure - Electricity	6 463	2 000	-	-	-	1 000	1 000	100.0%	2 000
<i>Generation</i>	-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>	3 898	-	-	-	-	-	-	-	-
<i>Street Lighting</i>	2 565	2 000	-	-	-	1 000	1 000	100.0%	2 000
Community	175	500	-	-	-	250	250	100.0%	500
Parks & gardens	-	500	-	-	-	250	250	100.0%	500
Cemeteries	175		-	-	-	-	-	-	-
Other assets	6	600	-	-	-	300	300	100.0%	600
Other	6	600				300	300	100.0%	600
Total Capital Expenditure on new assets	37 233	52 339	-	6 334	9 897	26 170	16 272	62.2%	52 339

Supporting Table: SC 13(b) Capital Expenditure on Renewal of Existing Assets

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets									
Infrastructure	6 639	19 851	-	677	1 065	9 925	8 860	89.3%	19 851
Infrastructure - Road transport	6 639	13 601	-	677	889	6 800	5 911	86.9%	13 601
<i>Roads, Pavements & Bridges</i>	6 639	13 601	-	677	889	6 800	5 911	86.9%	13 601
<i>Storm water</i>	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	6 250	-	-	176	3 125	2 949	94.4%	6 250
<i>Generation</i>	-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>	-	6 250	-	-	176	3 125	2 949	94.4%	6 250
Other assets	2 001	5 100	-	434	1 022	2 550	1 528	59.9%	5 100
General vehicles		200		-	-	100	100	100.0%	200
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment		600	-			300	300	100.0%	600
Computers - hardware/equipment	1 311	500	-	-	182	250	68	27.2%	500
Furniture and other office equipment	356	300	-	-	282	150	(132)	-87.9%	300
Civic Land and Buildings		1 500	-	-	-	750	750	100.0%	1 500
Other Buildings	43	-	-	-	-	-	-	-	-
Other Land		1 500	-	395	395	750	355	47.4%	1 500
Other	291	500	-	40	164	250	86	34.5%	500
Total Capital Expenditure on renewal of existing assets	8 639	24 951	-	1 112	2 088	12 475	10 388	83.3%	24 951

Supporting Table: SC 13(c) Repairs and Maintenance Expenditure

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure									
Infrastructure	4 529	3 200	-	199	2 098	1 600	(498)	-31.1%	3 200
Infrastructure - Road transport	2 448	1 200	-	198	700	600	(100)	-16.7%	1 200
<i>Roads, Pavements & Bridges</i>	2 266	1 000	-	-	474	500	26	5.2%	1 000
<i>Storm water</i>	183	200	-	198	227	100	(127)	-126.5%	200
Infrastructure - Electricity	973	1 000	-	1	514	500	(14)	-2.9%	1 000
<i>Generation</i>	-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>	973	1 000	-	1	514	500	(14)	-2.9%	1 000
Infrastructure - Other	1 107	1 000	-	-	883	500	(383)	-76.6%	1 000
<i>Waste Management</i>	1 107	1 000	-	-	883	500	(383)	-76.6%	1 000
Community	13	-	-	-	-	-	-		-
Community halls	13								
Other assets	5 043	5 576	-	619	3 928	2 788	(1 140)	-40.9%	5 576
General vehicles	32	2 067		226	1 648	1 033	(614)	-59.4%	2 067
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment	1 376	500	-	-	380	250	(130)	-52.2%	500
Other Buildings	914	1 250	-	130	674	625	(49)	-7.8%	1 250
Other	2 721	1 759	-	264	1 226	880	(347)	-39.4%	1 759
Total Repairs and Maintenance Expenditure	9 585	8 776	-	818	6 026	4 388	(1 638)	-37.3%	8 776

Supporting table SC13a and SC13b provide details of capital expenditure in terms of asset classification based on new assets and renewal of existing assets; while table SC13c provide details of expenditure performance on repairs and maintenance by asset classification. These tables present the capital programme performance of the Municipality.

The total year to date actuals for new capital projects amounts to R9, 897 million and the year to date budget is R26, 170 million which reflects 62.2% less expenditure on new assets. The year to date expenditure on renewal of existing assets is R2, 088 million and the year to date budget is R12, 475 million and this reflects 83, 3% unfavourable variance.

The actual expenditure for the month of December on repairs and maintenance is R818 thousand and the year to date actuals is R6, 026 million and the year to date budget is R4, 388 million, reflecting over spending variance of 37, 3%.

Quality certificate

I **RAMAKGAHLELE MAREDI**, the Acting Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of December 2014 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

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

Signature

Date