

ELIAS MOTSOALEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

February 2015

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

Description	Budget Year 2014/15										
	2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	YTD variance	Full Year Forecast	
Financial Performance											
Property rates	20 450	30 000	24 500	1 365	14 164	16 333	(2 170)	-13%	24 500		
Service charges	56 621	63 049	67 809	5 785	42 307	45 206	(2 899)	-6%	67 809		
Investment revenue	3 598	2 800	4 260	225	2 430	2 840	(410)	-14%	4 260		
Transfers recognised - operational	146 878	170 641	170 641	276	124 021	113 761	10 261	9%	170 641		
Other own revenue	17 519	13 628	18 013	1 178	10 136	12 009	(1 873)	-16%	18 013		
Total Revenue excluding capital transfers	245 065	280 118	285 223	8 830	193 058	190 149	2 909	2%	285 223		
Employee costs	87 146	97 177	93 609	6 897	60 560	62 406	(1 846)	-3%	93 609		
Remuneration of Councilors	16 037	16 273	17 590	1 338	11 508	11 727	(219)	-2%	17 590		
Depreciation & asset impairment	32 828	35 000	33 500	-	-	22 333	(22 333)	-100%	33 500		
Finance charges	-	-	-	-	-	-	-	-	-		
Materials and bulk purchases	49 691	50 013	56 032	4 249	36 815	37 355	(540)	-1%	56 032		
Transfers and grants	2 287	9 600	1 940	141	1 238	1 293	(55)	-4%	1 940		
Other expenditure	78 685	83 433	102 116	7 316	57 059	68 077	(11 018)	-16%	102 116		
Total Expenditure	266 675	291 497	304 787	19 941	167 179	203 191	(36 012)	-18%	304 787		
Surplus/(Deficit)	(21 610)	(11 379)	(19 563)	(11 111)	25 878	(13 042)	38 921	-298%	(19 563)		
Transfers recognised - capital	44 723	50 840	59 713	20 211	24 484	39 809	(15 325)	-38%	59 713		
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-		
Surplus/(Deficit) after capital transfers	23 113	39 461	40 150	9 099	50 363	26 767	23 596	88%	40 150		
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-		
Surplus/ (Deficit) for the year	23 113	39 461	40 150	9 099	50 363	26 767	23 596	88%	40 150		
Capital expenditure & funds sources											
Capital expenditure	49 665	77 290	84 383	11 180	33 830	56 256	(22 425)	-40%	84 383		
Capital transfers recognised	40 235	50 840	59 814	9 304	28 246	39 876	(11 630)	-29%	59 814		
Public contributions & donations	-	-	-	-	-	-	-	-	-		
Borrowing	-	-	-	-	-	-	-	-	-		
Internally generated funds	9 430	26 450	24 569	1 876	5 584	16 380	(10 796)	-66%	24 569		
Total sources of capital funds	49 665	77 290	84 383	11 180	33 830	56 256	(22 425)	-40%	84 383		
Financial position											
Total current assets	90 618	72 269	110 321		126 542				110 321		
Total non current assets	813 499	1 077 247	858 956		816 980				858 956		
Total current liabilities	82 178	43 000	41 307		96 128				41 307		
Total non current liabilities	34 693	40 000	40 000		30 512				40 000		
Community wealth/Equity	787 245	1 066 516	887 970		816 882				887 970		
Cash flows											
Net cash from (used) operating	76 508	72 559	110 247	7 571	19 656	48 373	28 716	59%	110 247		
Net cash from (used) investing	(56 618)	(72 290)	(83 383)	(12 746)	(38 067)	(35 312)	2 755	-8%	(83 383)		
Net cash from (used) financing	22	500	10	17	21	250	229	92%	10		
Cash/equivalents at the month/year end	35 247	20 769	62 121	-	38 348	48 558	10 210	21%	83 612		
Debtors & creditors analysis											
Debtors Age Analysis											
Total By Income Source	8 713	3 914	2 443	2 247	2 161	2 294	13 582	25 297	60 650		
Creditors Age Analysis											
Total Creditors	-	-	-	-	-	-	-	-	-		

The above C1 Sum table summarizes the following activities:-

Revenue:

The actual revenue for the month of February 2015 is R8, 8 million and the year to date actual is R193, 0 million. With a year to date budget of R190, 1 million, this reflects a favourable variance of 2% (R2, 9 million) and all revenue generating activities reflect a positive variance except the following line items:

- Property rates: 13% unfavourable variance
- Service charges – refuse removal: 11% unfavourable variance
- Rental of facilities : 27% unfavourable variance
- Fines: 32% unfavourable variance

Operating Expenditure

The Operational expenditure for the month amounts to R19, 9 million and the year to date actual amounts to R167, 1 million and the year to date budget is R203, 1 million. This reflects an unfavourable variance of R 36, 0 million 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 February amounts to R11, 1 million and the year to date capital expenditure amounts to R33, 8 million of which the R26, 9 million spending pertain to MIG funded projects, R1, 3 million from INEP roll over and R5, 6 million pertains to internally funded projects.

Surplus/Deficit

Taking the above into consideration, the net operating deficit for the month is R9, 1 million and the year to date results reflect a surplus amounting to R50, 4 million.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors for the month of February 2015 amounts to R60, 9 million of which R47, 9 million (78, 66%) is consumer debtors and R13, 0 million (21, 34%) 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	Budget Year 2014/15									
	2013/14	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast	
Revenue - Standard										
Governance and administration	176 282	207 929	206 020	2 231	144 350	137 347	7 003	5%	206 020	
Executive and council	1 611	934	934	-	844	623	221	35%	934	
Budget and treasury office	174 529	206 890	204 936	2 230	143 445	136 624	6 821	5%	204 936	
Corporate services	142	105	150	0	61	100	(39)	-39%	150	
Community and public safety	6 414	7 686	1 171	94	588	781	(193)	-25%	1 171	
Community and social services	46	1 353	511	35	294	341	(47)	-14%	511	
Sport and recreation	2	25	60	-	20	40	(20)	-49%	60	
Public safety	6 366	6 308	600	59	274	400	(126)	-32%	600	
Housing	-	-	-	-	-	-	-	-	-	
Health	-	-	-	-	-	-	-	-	-	
Economic and environmental services	41 165	52 357	66 347	20 961	30 119	44 232	(14 113)	-32%	66 347	
Planning and development	22	77	1 562	119	128	1 041	(913)	-88%	1 562	
Road transport	41 142	52 280	64 786	20 842	29 991	43 191	(13 200)	-31%	64 786	
Environmental protection	-	-	-	-	-	-	-	-	-	
Trading services	65 957	62 986	71 398	5 754	42 484	47 598	(5 114)	-11%	71 398	
Electricity	60 598	56 430	67 478	5 455	39 740	44 985	(5 245)	-12%	67 478	
Water	2 006	-	-	-	-	-	-	-	-	
Waste water management	617	-	-	-	-	-	-	-	-	
Waste management	2 746	6 556	3 920	300	2 744	2 613	131	5%	3 920	
Other	-	-	-	-	-	-	-	-	-	
Total Revenue - Standard	289 817	330 958	344 936	29 040	217 542	229 958	(12 416)	-5%	344 936	
Expenditure - Standard										
Governance and administration	158 566	140 374	157 129	8 569	74 392	104 753	(30 361)	-29%	157 129	
Executive and council	48 179	35 246	41 749	2 675	23 559	27 833	(4 274)	-15%	41 749	
Budget and treasury office	86 089	64 053	71 783	2 058	17 834	47 856	(30 022)	-63%	71 783	
Corporate services	44 317	41 074	43 597	3 826	32 999	29 064	3 934	14%	43 597	
Community and public safety	14 735	50 987	39 555	2 759	22 847	26 255	(3 408)	-13%	39 555	
Community and social services	3 364	20 771	17 858	1 203	11 271	11 905	(634)	-5%	17 858	
Sport and recreation	-	445	172	-	-	-	-	-	172	
Public safety	11 372	29 771	21 525	1 556	11 576	14 350	(2 774)	-19%	21 525	
Housing	-	-	-	-	-	-	-	-	-	
Health	-	-	-	-	-	-	-	-	-	
Economic and environmental services	31 570	30 947	36 160	2 894	22 799	24 106	(1 308)	-5%	36 160	
Planning and development	10 273	12 158	12 812	816	6 814	8 541	(1 727)	-20%	12 812	
Road transport	21 297	18 789	23 348	2 078	15 985	15 565	420	3%	23 348	
Environmental protection	-	-	-	-	-	-	-	-	-	
Trading services	61 804	69 190	71 943	5 729	47 142	47 962	(820)	-2%	71 943	
Electricity	51 150	56 772	59 285	4 520	38 901	39 523	(623)	-2%	59 285	
Water	-	-	-	-	-	-	-	-	-	
Waste water management	-	-	-	-	-	-	-	-	-	
Waste management	10 654	12 418	12 658	1 210	8 241	8 439	(197)	-2%	12 658	
Other	-	-	-	-	-	-	-	-	-	
Total Expenditure - Standard	266 675	291 497	304 787	19 941	167 179	203 191	(36 012)	-18%	304 787	
Surplus/ (Deficit) for the year	23 143	39 461	40 150	9 099	50 363	26 766	23 966	88%	40 150	

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

Vote Description	Budget Year 2014/15									
	2013/14	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast	
Revenue by Vote										
Vote 1 - Executive & Council	340	-	-	-	-	-	-	-	-	
Vote 2 - Office of the Municipal Manager	890	934	934	-	844	623	221	35.5%	934	
Vote 3 - Budget & Treasury	174 529	206 890	204 936	2 230	143 445	136 624	6 821	5.0%	204 936	
Vote 4 - Corporate Services	142	105	150	0	61	100	(39)	-38.7%	150	
Vote 5 - Community Services	9 541	14 242	11 091	833	7 202	7 394	(192)	-2.6%	11 091	
Vote 6 - Technical Services	104 353	108 710	128 263	25 857	65 862	84 176	(18 314)	-21.8%	128 263	
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-	
Vote 8 - Developmental Planning	22	77	1 562	119	128	1 041	(913)	-87.7%	1 562	
Total Revenue by Vote	289 817	330 958	344 936	29 040	217 542	229 968	(12 416)	-5.4%	344 936	
Expenditure by Vote										
Vote 1 - Executive & Council	25 983	25 556	27 288	2 150	17 624	18 192	(568)	-3.1%	27 288	
Vote 2 - Office of the Municipal Manager	6 193	9 690	14 461	525	5 936	9 641	(3 705)	-38.4%	14 461	
Vote 3 - Budget & Treasury	66 069	64 053	71 783	2 058	17 834	47 856	(30 022)	-62.7%	71 783	
Vote 4 - Corporate Services	44 317	41 074	43 597	3 826	32 999	29 004	3 994	13.5%	43 597	
Vote 5 - Community Services	41 393	63 405	56 202	4 302	33 703	37 488	(3 785)	-10.0%	56 202	
Vote 6 - Technical Services	72 446	75 560	78 643	6 264	52 271	52 429	(158)	-0.3%	78 643	
Vote 7 - Strategic Development	4 730	6 223	6 281	444	3 807	4 187	(381)	-9.1%	6 281	
Vote 8 - Developmental Planning	5 543	5 936	6 531	372	3 007	4 354	(1 347)	-30.9%	6 531	
Total Expenditure by Vote	266 675	291 497	304 787	19 941	167 179	203 191	(36 012)	-17.7%	304 787	
Surplus/ (Deficit) for the year	23 142	39 461	40 150	9 099	50 363	26 766	23 596	88.2%	40 150	

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	Budget Year 2014/15										
	2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year/TD actual	Year/TD budget	YTD variance	YTD variance	Full Year Forecast		
Revenue By Source											
Property rates	20 450	30 000	24 500	1 365	14 164	16 333	(2 170)	-13%	24 500		
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-		
Service charges - electricity revenue	53 899	55 300	62 700	5 290	39 188	41 800	(2 612)	-6%	62 700		
Service charges - water revenue	-	-	-	-	-	-	-	-	-		
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-		
Service changes - refuse revenue	2 721	5 188	3 903	298	2 311	2 602	(291)	-11%	3 903		
Service changes - other	-	2 561	1 208	197	807	804	3	0%	1 206		
Rental of facilities and equipment	1 125	1 055	3 080	149	1 483	2 040	(557)	-27%	3 080		
Interest earned - external investments	3 598	2 800	4 280	225	2 430	2 840	(410)	-14%	4 280		
Interest earned - outstanding debtors	5 225	5 000	7 000	414	3 909	4 667	(758)	-16%	7 000		
Dividends received	-	-	-	-	-	-	-	-	-		
Fines	1 666	610	610	59	276	407	(131)	-32%	610		
Licences and permits	4 669	5 648	6 000	439	3 869	4 000	(131)	-3%	6 000		
Agency services	2 623	-	-	276	124 021	-	-	-	-		
Transfers recognised - operational	146 878	170 641	170 641	117	599	113 761	10 261	9%	170 641		
Other revenue	2 210	1 315	1 343	117	599	896	(297)	-33%	1 343		
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-		
Total Revenue excluding capital transfers	246 066	280 118	285 223	8 630	193 058	190 149	2 909	2%	285 223		
Expenditure By Type											
Employment related costs	87 146	97 177	93 609	6 897	60 560	62 406	(1 846)	-3%	93 609		
Remuneration of councillors	16 037	16 273	17 590	1 338	11 508	11 727	(219)	-2%	17 590		
Debt impairment	10 245	3 000	11 000	-	-	7 333	(7 333)	-100%	11 000		
Depreciation & asset impairment	32 828	35 000	33 500	-	-	22 333	(22 333)	-100%	33 500		
Finance charges	-	-	-	-	-	-	-	-	-		
Bulk purchases	48 014	47 000	54 300	4 028	35 536	36 200	(664)	-2%	54 300		
Other materials	1 677	3 013	1 732	221	1 279	1 155	124	11%	1 732		
Contracted services	9 800	8 700	19 505	1 073	7 267	13 003	(5 736)	-44%	19 505		
Transfers and grants	2 287	9 600	1 940	141	1 238	1 293	(55)	-4%	1 940		
Other expenditure	58 640	71 733	71 611	6 242	49 792	47 741	2 051	4%	71 611		
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-		
Total Expenditure	266 676	291 497	304 787	19 941	167 179	203 191	(36 012)	-18%	304 787		
Surplus/(Deficit)	(21 610)	(11 379)	(19 563)	(11 111)	25 878	(13 042)	38 921	(0)	(19 563)		
Transfers recognised - capital	44 723	50 840	59 713	20 211	24 484	39 809	(15 325)	(0)	59 713		
Contributions recognised - capital	-	-	-	-	-	-	-	-	-		
Contributed assets	-	-	-	-	-	-	-	-	-		
Surplus/(Deficit) after capital transfers	23 113	39 461	40 150	9 099	50 363	26 767	-	-	40 150		
Taxation											
Surplus/(Deficit) after taxation	23 113	39 461	40 150	9 099	50 363	26 767	-	-	40 150		
Attributable to minorities											
Surplus/(Deficit) attributable to municipality	23 113	39 461	40 150	9 099	50 363	26 767	-	-	40 150		
Share of surplus/ (deficit) of associate											
Surplus/ (Deficit) for the year	23 113	39 461	40 150	9 099	50 363	26 767	-	-	40 150		

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, rental, interest on investments, fines, and other revenue. All other sources reflect a positive variance. In the case of expenditure, all year to date actuals reflects an under spending except the other material, (11 % variance) and other expenditure (4% 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.

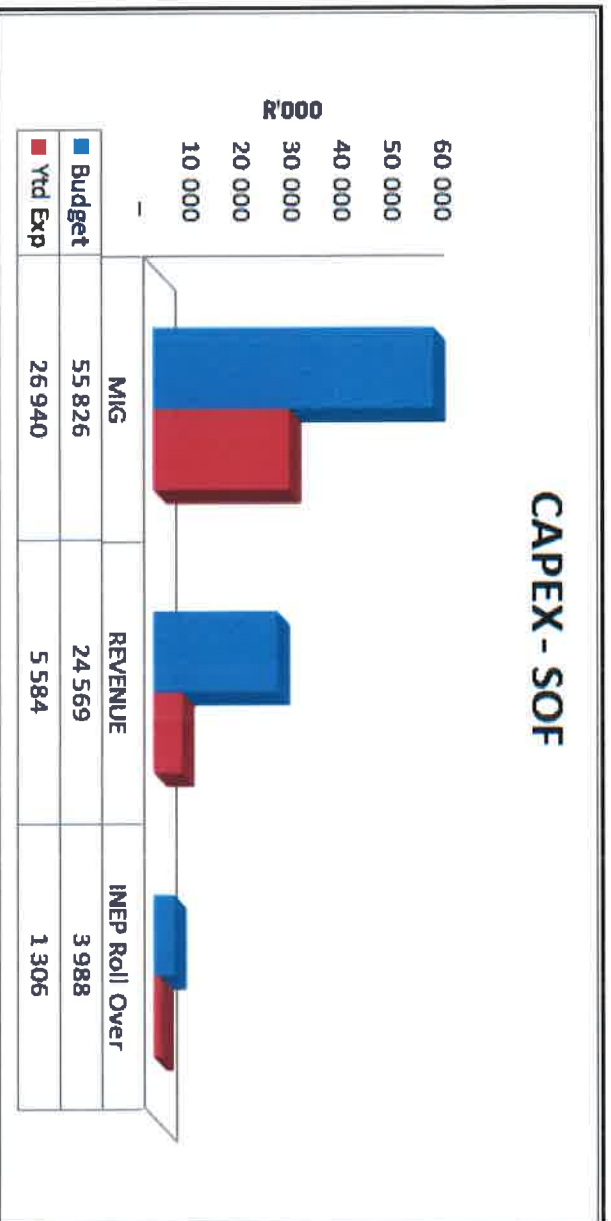
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

Description	Budget Year 2014/15									
	2013/14	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast	
Capital Expenditure - Standard Classification		2 057	1 300	2 400	525	1 399	1 600	(201)	-13%	2 400
<i>Governance and administration</i>										
Executive and council	-	-	-	-	-	-	-	-	-	-
Budget and treasury office	75	-	-	-	-	-	-	-	-	-
Corporate services	1 982	1 300	2 400	525	1 399	1 600	(201)	-13%	2 400	
<i>Community and public safety</i>										
Community and social services	-	500	500	-	-	333	(333)	-100%	500	
Sport and recreation	-	500	500	-	-	333	(333)	-100%	500	
Public safety	-	-	-	-	-	-	-	-	-	
Housing	-	-	-	-	-	-	-	-	-	
Health	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>										
Planning and development	38 257	66 940	71 716	8 839	28 552	47 811	(19 259)	-40%	71 716	
Road transport	-	1 500	1 500	-	395	1 000	(605)	-61%	1 500	
Environmental protection	38 257	65 440	70 216	8 839	28 157	46 811	(18 653)	-40%	70 216	
<i>Trading services</i>										
Electricity	9 350	7 950	9 768	1 816	3 879	6 512	(2 632)	-40%	9 768	
Water	-	-	-	-	-	-	-	-	-	
Waste water management	-	-	-	-	-	-	-	-	-	
Waste management	-	-	-	-	-	-	-	-	-	
<i>Other</i>										
Total Capital Expenditure - Standard Classification	49 665	77 290	84 383	11 180	33 830	56 256	(22 425)	-40%	84 983	
Funded by:										
National Government	40 235	50 840	55 826	7 998	26 940	37 218	(10 277)	-28%	55 826	
Provincial Government	-	-	-	-	-	-	-	-	-	
District Municipality	-	-	-	-	-	-	-	-	-	
Other transfers and grants	-	-	3 988	1 306	1 306	2 658	(1 353)	-51%	3 988	
Transfers recognised - capital	40 235	50 840	59 814	9 304	28 246	39 876	(11 630)	-29%	59 814	
Public contributions & donations	-	-	-	-	-	-	-	-	-	
Borrowing	-	-	-	-	-	-	-	-	-	
Internally generated funds	9 430	26 450	24 569	1 876	5 584	16 380	(10 795)	-66%	24 569	
Total Capital Funding	49 665	77 290	84 383	11 180	33 830	56 256	(22 425)	-40%	84 383	

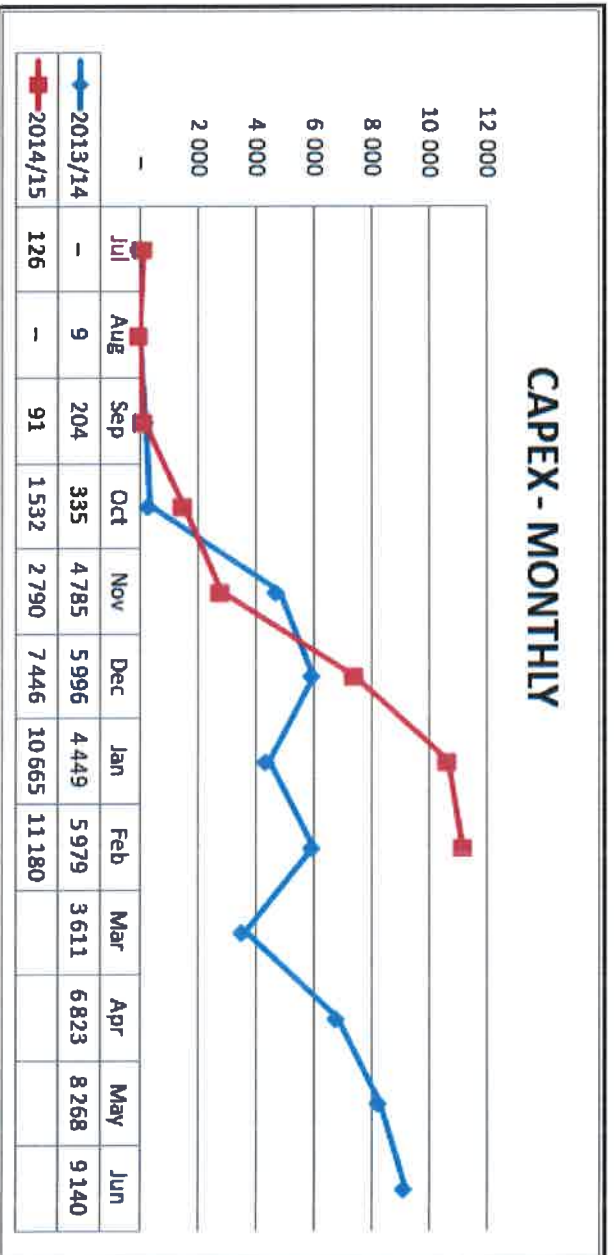
Table C5C: Monthly Capital Expenditure by Vote

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	1 100	170	1 044	733	311	42%	1 100
4.1 - Corporate Services 505		1 300	1 100	170	1 044	733	311	42%	1 100
0									
Vote 5 - Community Services	-	500	500	-	-	333	(333)	-100%	500
5.1 - Disaster management 115		-	-	-	-	-	-	-	-
5.2 - Licensing 120		-	-	-	-	-	-	-	-
5.3 - Traffic 125		-	-	-	-	-	-	-	-
5.4 - Fleet management 130		-	-	-	-	-	-	-	-
5.5 - Social Development & Health Services 300 & 325		-	-	-	-	-	-	-	-
5.6 - Refuse Removal 360		-	-	-	-	-	-	-	-
5.7 - Parks & Cemetery 405 & 425		500	500	-	-	333	(333)	-100%	500
5.8 - Satellite offices 501, 502, 503 & 506		-	-	-	-	-	-	-	-
5.9 - Sports & Recreation 435		-	-	-	-	-	-	-	-
5.10 - Library 540		-	-	-	-	-	-	-	-
Vote 6 - Technical Services	43 439	43 379	49 161	8 975	18 037	32 774	(14 737)	-45%	49 161
6.1 - Electricity 260	5 405	1 150	5 188	1 306	1 481	3 458	(1 977)	-57%	5 188
6.2 - Fixed Property 445	-	-	-	-	-	-	-	-	-
6.3 - Official Housing 510	-	-	-	-	-	-	-	-	-
6.4 - Municipal Buildings 570	-	-	-	-	-	-	-	-	-
6.5 - Aerodrome 640	-	-	-	-	-	-	-	-	-
6.6 - Technical Services 645	38 034	42 229	43 974	7 670	16 555	29 316	(12 760)	-44%	43 974
6.7 - Sewer Network 680									
6.8 - Water Distribution 685									
Total multi-year capital expenditure	43 439	45 179	50 761	9 146	19 081	33 641	(14 760)	-44%	50 761
Capital expenditure - Municipal Vote									
Expenditure of single-year capital appropriation									
Vote 4 - Corporate Services	1 982	-	1 300	355	355	867	(512)	-59%	1 300
4.1 - Corporate Services 505	1 982	-	1 300	355	355	867	(512)	-59%	1 300
0									
Vote 6 - Technical Services	4 169	30 611	30 622	1 680	14 000	20 548	(6 546)	-32%	30 622
6.1 - Electricity 260	3 945	4 200	4 580	511	2 398	3 053	(655)	-21%	4 580
6.2 - Fixed Property 445	224	26 411	26 242	1 169	11 602	17 495	(5 893)	-34%	26 242
6.6 - Technical Services 645	-	1 500	1 500	-	395	1 000	(605)	-61%	1 500
Vote 8 - Developmental Planning									
8.1 - Planning & LED 641		1 500	1 500	-	395	1 000	(605)	-61%	1 500
0									
Total single-year capital expenditure	6 151	32 111	33 622	2 035	14 750	22 415	(7 665)	(0)	33 622
Total Capital Expenditure	49 590	77 290	84 383	11 180	33 830	56 256	(22 426)	(0)	84 383

The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and funding. For the month of February 2015, R11, 1 million spending was incurred and the year to date capital expenditure amounts to R33, 8 million which shows an unfavourable variance of R22, 4 million against the year to date budget of R 56, 2 million and this constitutes a 40% under spending variance.



The above graph shows the components of finance for capital budget. Of the total capital budget of R84, 4 million, R55, 8 million is funded from Municipal Infrastructure grant, R 3, 9 million from INEP and R24, 6 million from Own Revenue. The spending to date per sources of finance is R26, 9 million on MIG and R5, 6 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 48, 26% of this allocation is spent as at end of February 2015.

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	2 910	5 769	10 769	1 161	10 769
Call investment deposits	32 337	15 000	50 752	37 187	50 752
Consumer debtors	20 229	30 000	30 000	22 554	30 000
Other debtors	32 854	16 500	16 500	63 372	16 500
Current portion of long-term receivables	–	–	–	–	–
Inventory	2 288	5 000	2 300	2 269	2 300
Total current assets	90 618	72 269	110 321	126 542	110 321
Non current assets					
Long-term receivables	644	–	–	–	–
Investments	–	–	–	–	–
Investment property	85 382	220 000	87 382	85 382	87 382
Investments in Associate	–	–	–	–	–
Property, plant and equipment	694 407	830 229	771 574	731 598	771 574
Agricultural	–	–	–	–	–
Biological assets	311	18	–	–	–
Intangible assets	22 674	27 000	–	–	–
Other non-current assets	10 081	–	–	–	–
Total non current assets	813 499	1 077 247	858 956	816 980	858 956
TOTAL ASSETS	904 116	1 149 516	969 277	943 522	969 277
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	–	–	–	–	–
Consumer deposits	4 211	5 000	3 307	3 241	3 307
Trade and other payables	42 917	38 000	38 000	92 887	38 000
Provisions	35 049	–	–	–	–
Total current liabilities	82 178	43 000	41 307	96 128	41 307
Non current liabilities					
Borrowing	–	–	–	–	–
Provisions	34 693	40 000	40 000	30 512	40 000
Total non current liabilities	34 693	40 000	40 000	30 512	40 000
TOTAL LIABILITIES	116 871	83 000	81 307	126 640	81 307
NET ASSETS	787 245	1 066 516	887 970	816 882	887 970
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	787 245	1 066 516	887 970	816 882	887 970
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	787 245	1 066 516	887 970	816 882	887 970

The above table shows that community wealth amounts to R816, 9 million, total liabilities R126, 7 million and the total assets R 943, 5 million.

Table C7: Monthly Budget Statement Cash Flow

Description	Budget Year 2014/15									
	2013/14 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	95 021	6 645	54 093	71 347	(17 255)	-24%	95 021	
Government - operating	146 878	170 641	170 641	276	124 021	113 761	10 261	9%	170 641	
Government - capital	44 723	50 840	59 713	20 211	24 484	33 893	(9 409)	-28%	59 713	
Interest	8 437	8 105	11 260	360	3 681	5 403	(1 722)	-32%	11 260	
Dividends	-	-	-	-	-	-	-	-	-	
Payments										
Suppliers and employees	(204 285)	(254 448)	(224 448)	(19 800)	(185 385)	(169 632)	15 753	-9%	(224 448)	
Finance charges	-	-	-	-	-	-	-	-	-	
Transfers and Grants	(2 287)	(9 600)	(1 940)	(141)	(1 238)	(6 400)	(5 162)	81%	(1 940)	
NET CASH FROM/USED) OPERATING ACTIVITIES	76 508	72 559	110 247	7 571	19 656	48 373	28 716	59%	110 247	
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	-	5 000	1 000	-	500	3 333	(2 833)	-85%	1 000	
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	
Decrease (Increase) other non-current receivables	-	-	-	-	-	-	-	-	-	
Decrease (Increase) in non-current investments	-	-	-	-	-	-	-	-	-	
Payments										
Capital assets	(56 618)	(77 290)	(94 383)	(12 746)	(38 567)	(51 527)	(12 960)	25%	(94 383)	
NET CASH FROM/USED) INVESTING ACTIVITIES	(56 618)	(77 290)	(83 383)	(12 746)	(38 067)	(35 312)	2 755	-8%	(83 383)	
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans	-	-	-	-	-	-	-	-	-	
Borrowing long term/financing	-	-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits	22	500	10	17	21	250	(229)	-92%	10	
Payments										
Repayment of borrowing	-	-	-	-	-	-	-	-	-	
NET CASH FROM/USED) FINANCING ACTIVITIES	22	500	10	17	21	250	229	92%	10	
NET INCREASE/ (DECREASE) IN CASH HELD	19 912	769	26 874	(5 158)	(18 389)	13 311	-	-	26 874	
Cash/cash equivalents at beginning:	15 334	20 000	35 247		56 738	35 247			56 738	
Cash/cash equivalents at month/year end:	35 247	20 789	62 121		38 348	48 558			83 612	

Table C7 presents details pertaining to cash flow performance. For the month of February 2015, the net cash outflow from operating activities is R7, 6 million (year to date actual R19, 6 million - inflow) whilst net cash outflow from investing activities is R12, 7 million (year to date actual R38, 0 million) that is mainly comprised of capital expenditure movement; and the net cash outflow from financing activities is R 17 thousand (year to date actual R 21 thousand). The cash and cash equivalent held at the end of February 2015 amounted to R38, 3 million that is made up of cash amounting R1, 2 million and short term investments of R37, 1 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	-19%	Revenue forgone including transactions that are supposed to be classified as grants paid out	Correct classification of transfers to be performed
Service charges - other	-46%	Effluent charges and line items such as reconnection fees appear to be occurring at lower rate relative to the anticipated rate thereof.	Municipality to fast track the billing of areas that are not billed for this service
Service charges - refuse revenue	-24%	Some areas/townships that enjoy this service type are not getting billed for it (e.g. Motetema township).	Municipality to fast track the billing of areas that are not billed for this service
Fines Expenditure By Type Depreciation & asset impairment	-22%	Low rate of traffic fines issued relative to 2013/14 performance	HR must accelerate the appointment of more traffic officers
Transfers and grants	-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
Debt impairment	-79%	This is caused by some of pertinent transactions being classified as revenue forgone as opposed to transfers and grants paid out	Correct classification of transfers to be performed
Capital Expenditure Grants funded projects	-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.
Own revenue funded projects	-28%	Most of the major projects have not yet kick started.	The siting of bid committees will be given thorough consideration as this will expedite the spending
Cash Flow Proceeds on disposal of PPE	-66%	Most of projects that are funded internally have not yet kick started as well.	The siting of bid committees will be given thorough consideration as this will expedite the spending
Government - capital	-85%	Non conducting of auctions of assets that are not in use.	Only one auction has been conducted in the current financial year.
Increase (decrease) in consumer deposits	25%	Underspending on M/G.	The majority of the projects have started spending and this is evident in the improved percentage spending on M/G projects
	-92%	The budget was provided in favour of the increase in consumer deposit, however the actuals for the first quarter reflect a decrease.	

Supporting Table: SC 3 - Debtors Age Analysis

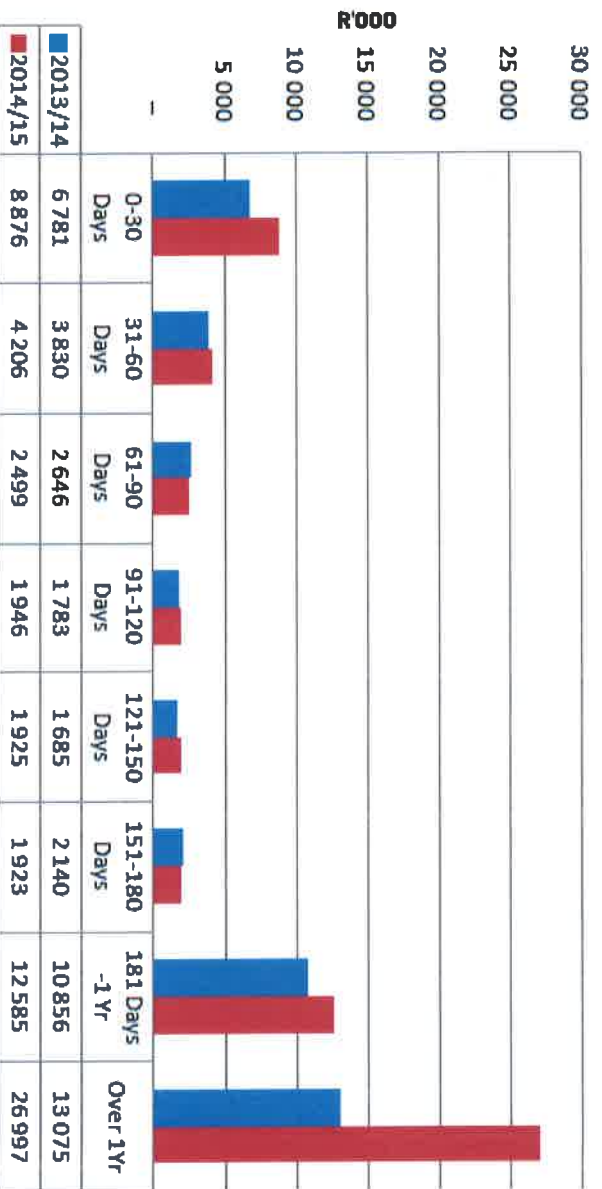
Description	Budget Year 2014/15										Over	Total	
	0-30 Days	31-60	61-90	91-120	121-150	151-180	181 Days-						
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	5 278	1 877	844	494	460	543	1 698	4 854	16 048				
Receivables from Non-exchange Transactions - Property Rates	1 886	1 119	937	842	807	787	8 817	13 714	28 908				
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-				
Receivables from Exchange Transactions - Waste Management	300	141	86	52	42	32	143	1 272	2 088				
Receivables from Exchange Transactions - Property Rental Debtors	151	64	13	13	13	12	583	78	928				
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-				
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-				
Other	1 261	1 006	619	545	603	550	1 345	7 080	13 007				
Total By Income Source	8 876	4 206	2 499	1 946	1 925	1 923	12 585	26 997	60 958				
2013/14 - totals only	7 991	4 708	2 187	1 699	29 582	-	-	-	46 168				
Debtors Age Analysis By Customer Group													
Organs of State	1 167	466	472	468	428	533	1 836	4 422	9 792				
Commercial	3 563	1 135	449	194	211	174	682	2 127	8 535				
Households	2 389	1 433	690	540	503	491	1 281	10 947	18 274				
Other	1 757	1 173	888	744	782	724	8 787	9 502	24 356				
Total By Customer Group	8 876	4 206	2 499	1 946	1 925	1 923	12 585	26 997	60 958				

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of February amount to R60, 958 million. The debtors' book is made up as follows:

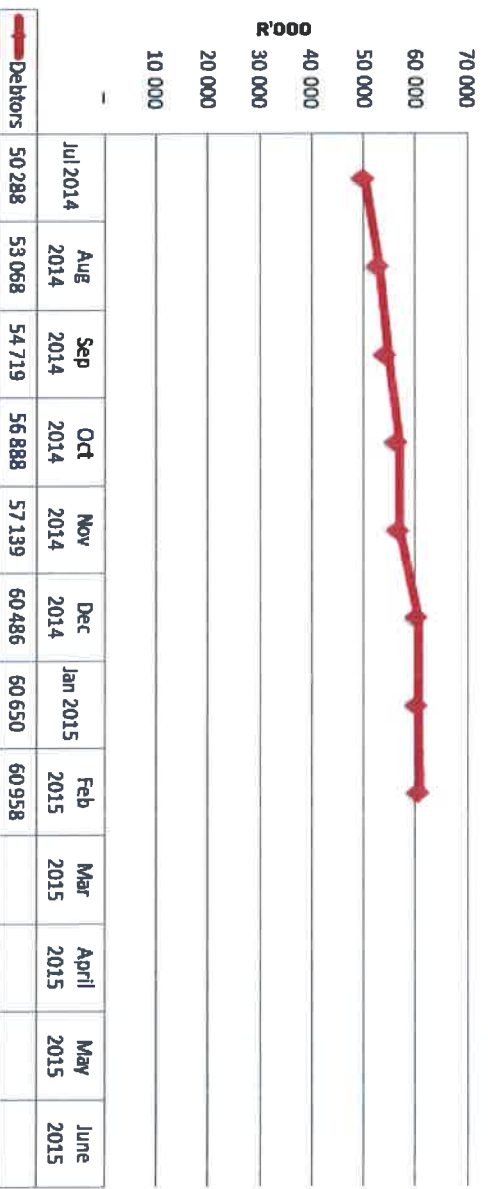
- Rates 47,42%
- Electricity 26,33%
- Rental 1, 52%
- Refuse removal 3,39%
- Other 21,44%

The debtors' age analysis is graphically presented below.

DEBTORS AGE ANALYSIS - FEBRUARY 2015



DEBTORS AGE ANALYSIS - MONTHLY



The initial graph compares debtors' age analysis for 2013/14 (February 2014) and 2014/15 (as at end of February 2015) 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								Prior year totals for chart	
	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. 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
35403	BONGI LE MASHUMI CC	236 545
37806	TLOU LE DINARE (PTY) LTD	234 600
35595	WITS BUSINESS SCHOOL 84	229 021
777	VISION PRINTT GRAPHICS & DESIGN	145 350
32409	MAKGONATSOHLE TRADING ENTERPRISE	123 567
37617	DITHEBELE LE MMAKOBO TRAVEL	115 940
4001	MOKWENA MOTORS T/A NOMTANE MOT	112 500
37784	NRESNZALO RELEBOGILEENGINEERIN	108 958
37616	ANDRI-ROSE TRADING ENTERPRISE	74 980
37803	LUTSE TRADING CC	74 100
40027	CASA DO SOL HOTEL	68 500
37690	THUTOHOTO SETSHABENG TRADING	61 000
35396	SHALAKHO TRADING & PROJECTS	55 160
453	MOJEKANA MJ CONSTRUCTION	53 720
37603	BAKINO CONSTRUCTION & PROJECTS	52 640
32011	UGESI TRAINING CC	49 613
37636	UNIVERSITY OF JOHANNESBURG	42 000
37700	BAHWADUBA LE MBONANI TRADING	41 852
37807	LION AND TIGER DEN ENTERPRISE	39 729
37518	MAGAMPA KGONYANA TRADING ENT	29 100
TOTAL		1 948 875

The above table presents the top twenty creditors paid during the month of February 2015 and an amount of R1, 948 million was paid during the month of February 2015.

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 1	Yield for the month 1	Market value at beginning	Change in market value	Market value at end of
	Yrs/Months							
Municipality								
Sanlam	1 Month	Short term	28-Feb-2015	1	0.24%	327	-	327
Nedbank	3 Months	Short term	4-Mar-2015	157	0.48%	32 633	-	32 790
Absa	3 Months	Short term	28-Feb-2015	54	0.38%	14 016	10 000	4 069
TOTAL INVESTMENTS AND INTEREST				211	400.0%	46 975	10 000	37 187

Supporting table SC5 presents all investments that indicate that the total amount of R 46, 9 million has been invested as at end of February 2015. The opening balance was R46, 9 million, accrued interest for the month amounted to R211 thousand with a total of R 37, 2 million invested at as end of February 2015.

Supporting Table: SC 6 - Transfers and Grant Receipts

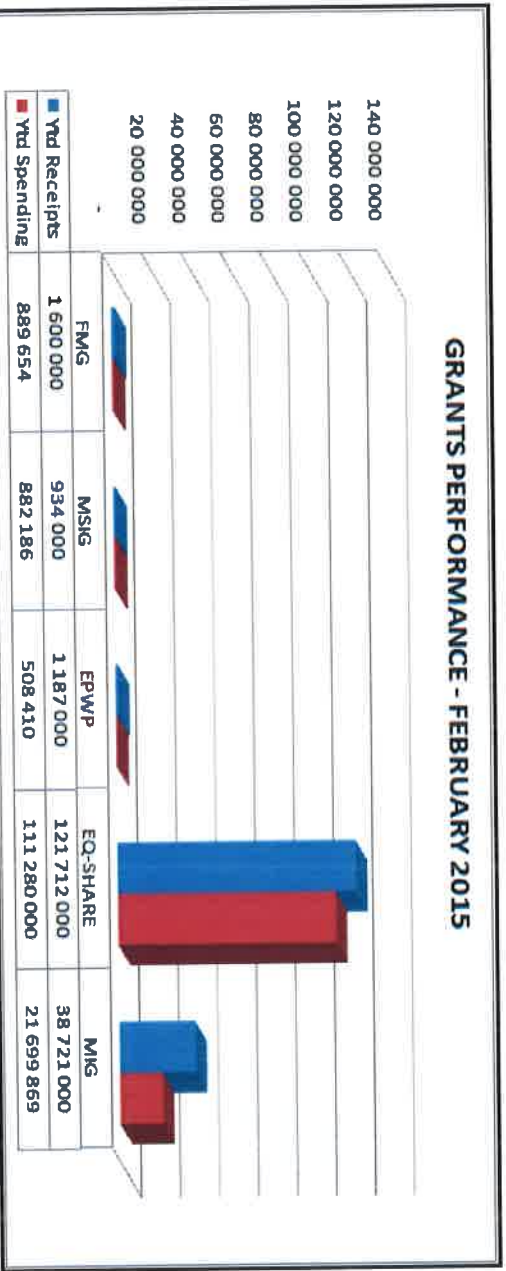
Description	Budget Year 2014/15									
	2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast	
RECEIPTS:										
Operating Transfers and Grants										
National Government:	146 878	170 641	170 641	356	125 433	125 433	-	-	170 641	
Local Government Equitable Share	143 438	166 920	166 920	-	121 712	121 712	-	-	166 920	
Finance Management	1 550	1 600	1 600	-	1 600	1 600	-	-	1 600	
Municipal Systems Improvement	890	934	934	-	934	934	-	-	934	
EPWP Incentive	1 000	1 187	1 187	356	1 187	1 187	-	-	1 187	
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-	
Provincial Government:	-	-	-	-	-	-	-	-	-	
N/A	-	-	-	-	-	-	-	-	-	
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-	
District Municipality:	-	-	-	-	-	-	-	-	-	
N/A	-	-	-	-	-	-	-	-	-	
Other grant providers:	-	-	-	-	-	-	-	-	-	
N/A	-	-	-	-	-	-	-	-	-	
Total Operating Transfers and Grants	146 878	170 641	170 641	356	125 433	125 433	-	-	170 641	
Capital Transfers and Grants										
National Government:	53 596	50 840	50 840	-	38 721	38 721	-	-	50 840	
Municipal Infrastructure Grant (MIG)	43 596	50 840	50 840	-	38 721	38 721	-	-	50 840	
Integrated National Electrification Grant	10 000	-	-	-	-	-	-	-	-	
Provincial Government:	-	-	-	-	-	-	-	-	-	
N/A	-	-	-	-	-	-	-	-	-	
District Municipality:	-	-	-	-	-	-	-	-	-	
N/A	-	-	-	-	-	-	-	-	-	
Other grant providers:	-	-	-	-	-	-	-	-	-	
N/A	-	-	-	-	-	-	-	-	-	
Total Capital Transfers and Grants	53 596	50 840	50 840	-	38 721	38 721	-	-	50 840	
TOTAL RECEIPTS OF TRANSFERS & GRANTS	200 474	221 481	221 481	356	164 154	164 154	-	-	221 481	

Supporting tables SC6 provide details of grants received. The year to date actual receipts amounts to R164, 2 million of which the major portion is attributed to equitable share (i.e. R121, 7 million) received. Other grants include amongst others, FMG, MSIG, EPWP and MIG. An amount of R 356 thousand was received from EPWP during February 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 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2014/15		YTD variance	YTD variance	Full Year Forecast
					YearTD actual	YearTD budget			
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government	146 878	170 641	170 641	14 151	113 471	113 761	(290)	-0.3%	170 641
Local Government Equitable Share	143 438	166 920	166 920	13 910	111 280	111 280	-		166 920
Finance Management	1 550	1 600	1 600	152	890	1 067	(177)	-16.6%	1 600
Municipal Systems Improvement	890	934	934	-	882	623	260	41.7%	934
EPWP Incentive	1 000	1 187	1 187	90	508	791	(283)	-35.8%	1 187
Total operating expenditure of Transfers and Grants:	146 878	170 641	170 641	14 151	113 471	113 761	(290)	-0.2%	170 641
Capital expenditure of Transfers and Grants									
National Government:	44 723	50 840	50 840	2 535	21 700	33 893	(12 193)	-36.0%	50 840
Municipal Infrastructure Grant (MIG)	38 710	50 840	50 840	2 535	21 700	33 893	(12 193)	-36.0%	50 840
Integrated National Electrification Grant	6 012	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	44 723	50 840	50 840	2 535	21 700	33 893	(12 193)	-36.0%	50 840
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	191 601	221 481	221 481	16 687	135 170	147 654	(12 394)	-8.4%	221 481

An amount of R16, 7 million has been spent on grants during the month of February 2015 and the year to date actual expenditure amounts to R 135, 1 million. R113, 5 million is spent from operational grants while R21, 97million is spent from capital grant (MIG and INEP 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 55,60%
- Municipal Systems Improvement Grant 94,45%
- Expanded Public Work Programme 50,39%
- Equitable Share 91,43%
- Municipal Infrastructure Grant 56,04%

Supporting Table: SC 7 Expenditure on Approved Roll over

Description	Budget Year 2014/15				
	Approved Rollover 2013/14	Monthly actual	YearTD actual	YTD variance	YTD variance
EXPENDITURE					
Capital expenditure of Approved Roll-overs					
National Government:	8 873	6 192	6 192	2 681	30.2%
Municipal Infrastructure Grant (MIG)	4 886	4 886	4 886	-	
Integrated National Electrification Grant	3 987	1 306	1 306	2 681	67.3%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	8 873	6 192	6 192	2 681	30.2%

Supporting Table: SC8 - Councillor 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	12 061	893	7 906	8 041	(135)	-2%	12 061
Pension and UIF Contributions	953	1 417	992	82	648	661	(13)	-2%	992
Medical Aid Contributions	170	180	280	21	169	187	(18)	-10%	280
Motor Vehicle Allowance	3 840	4 066	3 916	321	2 576	2 611	(35)	-1%	3 916
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	0	45	340	21	209	227	(18)	-8%	340
Sub Total - Councillors	15 233	16 273	17 590	1 338	11 508	11 727	(219)	-2%	17 590
Senior Managers of the Municipality									
Basic Salaries and Wages	3 335	5 131	5 281	321	2 538	3 507	(969)	-28%	5 261
Pension and UIF Contributions	-	400	475	19	167	317	(150)	-47%	475
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	827	1 292	1 407	59	468	938	(470)	-50%	1 407
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	67	323	1	51	215	(164)	-76%	323
Payments in lieu of leave	-	80	150	-	-	100	(100)	-100%	150
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	4 162	6 949	7 615	400	3 224	5 077	(1 853)	-37%	7 615
Other Municipal Staff									
Basic Salaries and Wages	49 972	60 245	57 342	4 657	37 863	38 228	2 174	6%	57 342
Pension and UIF Contributions	9 902	13 223	11 595	919	7 385	7 730	(179)	-2%	11 595
Medical Aid Contributions	2 821	3 076	3 050	253	1 874	2 033	(159)	-8%	3 050
Overtime	1 172	775	1 610	97	878	1 074	(195)	-18%	1 610
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3 718	4 451	4 670	392	3 254	3 113	609	20%	4 670
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	67	120	139	8	62	92	(30)	-33%	139
Other benefits and allowances	699	7 483	6 633	170	5 498	4 422	1 126	25%	6 633
Payments in lieu of leave	4 528	855	955	-	521	637	(115)	-18%	955
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	72 680	90 228	85 994	6 497	57 336	57 329	7	0%	85 994
TOTAL SALARY, ALLOWANCES & BENEFITS	92 075	113 451	111 199	8 235	72 067	74 133	(2 065)	-3%	111 199

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for February 2015 amounts to R8, 2 million and the year to date actual expenditure amounted to R72, 1 million that is less by 3%. The expenditure for remuneration of councilors as at February 2015 amounts to R 1, 3 million which reflects a 2% variance.

Description	Budget Year 2014/15												2014/15 Medium Term Revenue		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year +1	Budget Year +2
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source															
Property rates	1 342	1 095	1 961	971	1 297	871	1 817	1 633				19 013	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	5 331	4 731				20 014	55 300	57 170	58 255
Service charges - water revenue															
Service charges - sanitation revenue															
Service charges - refuse	273	223	308	243	218	181	293	281				3 168	5 188	6 475	6 824
Service charges - other	63	63	(7)	253	23	27	260	197				1 682	2 561	2 884	3 039
Rental of facilities and equipment	57	46	110	114	88	65	156	149				270	1 055	1 091	1 150
Interest earned - external investments		444	1 082	724		38	520	225				(233)	2 800	3 273	3 449
Interest earned - outstanding debtors	98	64	729	59	58	56	104	155				3 678	5 000	5 270	5 555
Dividends received															
Fines	24	34	18	26	50	14	51	59				334	610	1 065	1 122
Licences and permits		531	532	517	534	347	871	439				1 876	5 648	5 810	6 124
Agency services															
Transfer receipts - operating	66 140	84	42	476	55 962		1 040	276				46 620	170 641	216 460	220 780
Other revenue	1 632	266	7 632	52	221	98	22 324	117				(26 028)	6 315	1 480	1 560
Cash Receipts by Source	74 201	6 676	18 220	7 635	62 414	4 647	32 766	6 263				70 394	285 118	333 651	341 297
Other Cash Flows by Source															
Transfer receipts - capital				1 058	3 112			20 211				26 460	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		17				479	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	66 522	4 658	32 766	28 490				102 333	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	7 289	6 897				37 218	97 177	112 826	119 245
Remuneration of councillors	1 931	1 324	1 324	1 349	1 343	1 331	1 373	1 338				4 960	16 273	17 163	18 090
Interest paid															
Bulk purchases - Electricity	5 635	6 018	4 094	4 590	(860)	7 854	3 678	4 028				11 964	47 000	49 538	52 213
Bulk purchases - Water & Sewer															
Other materials	290	136	130	141	180	3	176	221				1 734	3 013	1 918	2 022
Contracted services	872	872	867	867		1 675	1 041	1 073				1 433	8 700	11 067	11 665
Grants and subsidies paid - other municipalities															
Grants and subsidies paid - other	94	53	55	55	(55)	164	731	141				8 362	9 600	12 859	13 553
General expenses	9 563	6 282	595	17 523	13 588	7 292	6 484	20 436				(10 030)	71 733	89 486	90 373
Cash Payments by Type	25 326	21 623	13 452	31 644	21 267	29 636	20 772	34 135				55 641	253 497	294 858	307 160
Other Cash Flows/Payments by Type															
Capital assets	126		91	1 532	3 181	8 488	12 158	12 746				38 968	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	32 930	46 881				94 610	330 787	391 082	397 749
NET INCREASE/(DECREASE) IN CASH HELD	48 746	(14 968)	4 676	(24 559)	41 076	(33 467)	(164)	(18 390)				7 723	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	56 738	38 348	38 348	38 348	38 348	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	56 738	38 348	38 348	38 348	38 348	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 8, 2 million excluding the capital transfer receipts and the total cash payment for the month were R 34, 1 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						% spend of Original Budget
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	
Monthly expenditure performance trend									
July		274	274	126	126	274	148	54.1%	0.16%
August	9	634	634	-		908	908		0.16%
September	204	4 420	4 420	91	91	5 327	5 236	98.3%	0.12%
October	335	6 173	6 173	1 532	1 532	11 501	9 989	86.7%	2%
November	4 785	13 178	13 178	2 790	2 790	24 679	21 889	88.7%	4%
December	5 996	4 883	4 883	7 446	7 446	29 562	22 116	74.8%	10%
January	4 449	2 130	2 130	10 665	10 665	31 692	21 027	66.3%	14%
February	5 979	6 039	16 452	11 180	11 180	48 144	36 964	76.8%	14%
March	3 611	5 274	11 456	-	-	59 600	59 600	100.0%	0%
April	6 823	13 008	10 485	-	-	70 066	70 066	100.0%	-
May	8 268	5 464	6 543	-	-	76 609	76 609	100.0%	-
June	5 413	15 813	7 774	-	-	84 383	84 383	100.0%	-
Total Capital expenditure	45 872	77 290	84 383	33 830					

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of February amounts to R11, 1 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 48, 1 million based on the adjusted budget and only R33, 8 million has actually been spent to date. This reflects year to date variance of 76, 8%.

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

Description	Budget Year 2014/15									
	2013/14	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	55 669	7 203	24 778	37 112	12 335	33.2%	55 669	
Infrastructure - Road transport	30 589	49 239	48 430	5 897	23 472	32 287	8 815	27.3%	48 430	
Roads, Pavements & Bridges	30 589	47 739	47 430	5 688	23 363	31 620	8 257	26.1%	47 430	
Storm water		1 500	1 000	39	109	667	557	83.6%	1 000	
Infrastructure - Electricity	6 463	2 000	7 238	1 306	1 306	4 826	3 520	72.9%	7 238	
Generation										
Transmission & Reticulation	3 898		4 988	1 306	1 306	3 325	2 020	60.7%	4 988	
Street Lighting	2 565	2 000	2 251	-	-	1 501	1 501	100.0%	2 251	
Community	175	500	2 791	2 182	2 182	1 860	(321)	-17.3%	2 791	
Parks & gardens	-	500	300	-	-	200	200	100.0%	300	
Cemeteries	175		2 491	2 182	2 182	1 660	(521)	-31.4%	2 491	
Other assets	6	600	1 000	355	355	667	312	46.7%	1 000	
Other	6	600	1 000	355	355	667	312	46.7%	1 000	
Total Capital Expenditure on new assets	37 233	52 339	59 459	9 739	27 314	39 640	12 325	31.1%	59 459	

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

Description	Budget Year 2014/15										
	2013/14	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast		
Capital expenditure on renewal of existing assets	Outcome	Budget	Budget	actual	actual	budget	variance	variance	Forecast		
Infrastructure	10 431	19 851	17 404	1 123	4 772	11 603	6 831	58.9%	17 404		
Infrastructure - Road transport	6 639	13 601	12 378	114	1 699	8 252	6 553	79.4%	12 378		
Roads, Pavements & Bridges	6 639	13 601	12 378	114	1 699	8 252	6 553	79.4%	12 378		
Storm water	-	-	-	-	-	-	-	-	-		
Infrastructure - Electricity	3 792	6 250	4 480	511	2 574	2 987	413	13.8%	4 480		
Generation	-	-	-	-	-	-	-	-	-		
Transmission & Retikulation	3 792	6 250	4 480	511	2 574	2 987	413	13.8%	4 480		
Infrastructure - Other	-	-	-	-	-	-	-	-	-		
Waste Management	-	-	546	499	499	364	(135)	-37.0%	546		
Other assets	2 001	5 100	7 520	318	1 744	5 013	3 269	65.2%	7 520		
General vehicles	-	200	-	-	-	-	-	-	-		
Specialised vehicles	-	-	-	-	-	-	-	-	-		
Plant & equipment	-	600	-	-	-	-	-	-	-		
Computers - hardware/equipment	1 311	500	500	115	469	333	(136)	-40.7%	500		
Furniture and other office equipment	356	300	500	-	282	333	52	15.5%	500		
Abattoirs	-	-	-	-	-	-	-	-	-		
Markets	-	-	-	-	-	-	-	-	-		
Chic Land and Buildings	-	1 500	1 800	-	158	1 200	1 042	86.8%	1 800		
Other Buildings	43	-	2 300	148	148	1 533	1 386	90.4%	2 300		
Other Land	-	1 500	1 500	-	395	1 000	605	60.5%	1 500		
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-		
Other	291	500	920	56	293	613	320	52.2%	920		
Agricultural assets	-	-	-	-	-	-	-	-	-		
List sub-class	-	-	-	-	-	-	-	-	-		
Biological assets	-	-	-	-	-	-	-	-	-		
List sub-class	-	-	-	-	-	-	-	-	-		
Intangibles	-	-	-	-	-	-	-	-	-		
Computers - software & programming	-	-	-	-	-	-	-	-	-		
Other	-	-	-	-	-	-	-	-	-		
Total Capital Expenditure on renewal of existing asset	12 432	24 951	24 924	1 441	6 516	16 616	10 100	60.8%	24 924		

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

Description	Budget Year 2014/15										
	2013/14 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	4 070	362	2 769	2 713	(56)	-2.0%	4 070		
Infrastructure - Road transport	2 448	1 200	1 250	184	901	833	(68)	-8.2%	1 250		
Roads, Pavements & Bridges	2 266	1 000	900	184	675	600	(75)	-12.5%	900		
Storm water	183	200	350	-	227	233	7	2.9%	350		
Infrastructure - Electricity	973	1 000	1 300	178	985	867	(118)	-13.6%	1 300		
Generation											
Transmission & Reticulation	973	1 000	1 300	178	985	867	(118)	-13.6%	1 300		
Infrastructure - Other	1 107	1 000	1 520	-	883	1 013	130	12.9%	1 520		
Waste Management	1 107	1 000	1 520	-	883	1 013	130	12.9%	1 520		
Community	13	-	-	-	-	-	-	-	-		
Community halls	13	-	-	-	-	-	-	-	-		
Other assets	5 043	5 576	6 828	360	5 113	4 552	(561)	-12.3%	6 828		
General vehicles	32	2 067	3 527	17	2 223	2 351	128	5.4%	3 527		
Specialised vehicles	-	-	-	-	-	-	-	-	-		
Plant & equipment	1 376	500	680	125	507	453	(53)	-11.8%	680		
Civic Land and Buildings											
Other Buildings	914	1 250	1 600	84	1 010	1 067	57	5.4%	1 600		
Other	2 721	1 759	1 021	134	1 374	681	(693)	-101.9%	1 021		
Total Repairs and Maintenance Expenditure	9 585	8 776	10 898	722	7 882	7 265	(617)	-8.5%	10 898		

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 R 27, 3 million and the year to date budget is R39, 6 million which reflects 31% less expenditure on new assets. The year to date expenditure on renewal of existing assets is R 6, 5 million and the year to date budget is R16, 6 million and this reflects 60,1% unfavourable variance. The actual expenditure for the month of February 2015 on repairs and maintenance is R 722 thousand and the year to date actual amounts to R 7, 9 million and the year to date budget is R7, 3million, reflecting over spending variance of 8, 5%.

Quality certificate

I RAMAKGAHLELE MAREDI, the Municipal Manager of **ELIAS MOTSOALEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of February 2015 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsaledi Local Municipality (LIM 472)

Signature *PP*

Date *2015/03/13*