

ELIAS MOTSOALEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

February 2016

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 2015/16										
	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	19 271	26 182	24 797	1 876	14 947	16 531	(1 584)	-10%	24 797		
Service charges	59 877	67 601	66 337	6 518	48 240	44 225	4 015	9%	66 337		
Investment revenue	3 965	4 600	3 300	237	2 212	2 200	12	1%	3 300		
Transfers recognised - operational	170 641	216 652	216 652	254	162 373	144 435	17 938	12%	216 652		
Other own revenue	22 264	16 188	13 960	1 100	9 998	9 306	692	7%	13 960		
Total Revenue excluding capital transfers	276 019	331 224	325 046	9 985	237 770	216 687	21 073	10%	325 046		
Employee costs	102 669	115 256	106 109	7 932	68 485	70 739	(2 274)	-3%	106 109		
Remuneration of Councilors	18 844	18 543	17 659	2 256	11 453	11 773	(319)	-3%	17 659		
Depreciation & asset impairment	32 042	35 000	35 000	-	-	23 333	(23 333)	-100%	35 000		
Finance charges	-	-	-	-	-	-	-	-	-		
Materials and bulk purchases	53 540	65 430	67 759	28 369	46 104	45 173	932	2%	67 759		
Transfers and grants	1 832	3 300	1 900	103	486	1 267	(801)	-63%	1 900		
Other expenditure	128 686	102 901	120 195	9 468	76 620	80 130	(3 510)	-4%	120 195		
Total Expenditure	337 613	340 430	348 622	48 127	203 108	232 415	(29 306)	-13%	348 622		
Surplus/(Deficit)	(61 594)	(9 206)	(23 576)	(38 142)	34 662	(15 717)	50 379	-321%	(23 576)		
Transfers recognised - capital	58 967	63 102	77 739	9 275	45 992	51 826	(5 834)	-11%	77 739		
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-		
Surplus/(Deficit) after capital transfers	(2 627)	53 896	54 163	(28 867)	80 654	36 109	44 545	123%	54 163		
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-		
Surplus/ (Deficit) for the year	(2 627)	53 896	54 163	(28 867)	80 654	36 109	44 545	123%	54 163		
Capital expenditure & funds sources											
Capital expenditure	164 642	99 981	124 455	11 956	62 345	82 970	(20 625)	-25%	124 455		
Capital transfers recognised	58 666	63 102	77 739	9 439	53 638	51 826	1 862	4%	77 739		
Public contributions & donations	-	-	-	-	-	-	-	-	-		
Borrowing	-	-	-	-	-	-	-	-	-		
Internally generated funds	23 655	36 879	46 716	2 517	8 657	31 144	(22 486)	-72%	46 716		
Total sources of capital funds	82 321	99 981	124 455	11 956	62 345	82 970	(20 625)	-25%	124 455		
Financial position											
Total current assets	78 138	66 715	77 544		110 517				77 544		
Total non current assets	830 215	886 793	969 866		831 472				969 866		
Total current liabilities	68 432	34 500	27 100		70 512				27 100		
Total non current liabilities	79 033	40 000	32 512		76 694				32 512		
Community wealth/Equity	760 887	879 008	987 798		794 783				987 798		
Cash Flows											
Net cash from (used) operating	59 514	72 559	104 998	(28 628)	(19 831)	69 998	89 830	128%	104 998		
Net cash from (used) investing	(69 910)	(94 981)	(89 369)	(13 629)	(71 074)	(59 580)	11 494	-19%	(89 369)		
Net cash from (used) financing	-	500	2 597	29	952	250	(702)	-281%	2 597		
Cash/cash equivalents at the month/year end	24 851	(1 922)	43 192	-	52 827	35 636	(17 191)	-48%	161 005		
Debtors & creditors analysis											
Debtors Age Analysis											
Total By Income Source	9 730	3 694	2 324	1 632	2 082	1 409	3 289	26 734	50 893		
Creditors Age Analysis											
Total Creditors	-	-	-	-	-	-	-	-	-		

The above C1 Sum table summarizes the following activities:-

Revenue:

The actual revenue for the month of February 2016 is R237, 770 million and the year to date budget of R216, 697 million and this reflects a positive variance R21, 073 million. All major revenue item categories reflect a negative variance as presented below except transfer recognized operational, and service charges:

- Property rates: 10% unfavourable variance
- Service charges – electricity: 10% favourable variance
- Rental of facilities : 12% unfavourable variance
- Interest on outstanding investment: 13% unfavourable variance
- Fines : 20% unfavourable variance

Operating Expenditure

The Operational expenditure for the month amounts to R48, 127 million , the year to date actual is R203, 108 million and the year to date budget is R232, 415 million. This reflects an unfavourable variance of R29, 306 million (13%) that is caused by depreciation and transfers and grants, it get be said that the spending was in line with the monthly budget projections thereof. Cognizance should be taken that the above spending does not include “expenditure” on non-cash items and as a results, the expenditure is the actual spending that resulted in actual outflow of cash.

Capital Expenditure

The capital expenditure for the month of February amounts to R11, 956 million and the year to date budget amounts to R62, 345 million, giving rise to 25% under-spending variance for the month under review and this is attributed to major projects that have not yet kick-started and they had budget projection/s for the month of February.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month is R80, 654 million that is mainly attributed to services charges received during the months.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of February 2016 amounts to R50, 893 million and this is a decrease of R10, 065 million as compared to R60, 958 million as at end of 2014/15 financial year.

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										Budget Year 2015/16				
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	YTD Forecast	2014/15	2015/16	YTD variance	YTD variance	Full Year Forecast	
Revenue - Standard															
Governance and administration															
Executive and council	204 510	250 105	250 238	2 723	183 564	166 826	16 738	10%	250 238						
Budget and treasury office	934	930	930	65	740	620	120	19%	930						
Corporate services	203 514	248 806	249 298	2 657	182 820	166 198	16 622	10%	249 298						
Community and public safety	62	369	11	1	4	7	(3)	-39%	11						
Community and social services	2 942	772	1 840	53	983	1 227	(243)	-20%	1 840						
Sport and recreation	341	74	37	4	21	25	(4)	-15%	37						
Public safety	18	63	3	-	1	2	(1)	-31%	3						
Housing	2 584	635	1 800	49	961	1 200	(239)	-20%	1 800						
Health	-	-	-	-	-	-	-	-	-						
Economic and environmental services	63 708	64 347	74 370	7 460	44 571	49 580	(5 009)	-10%	74 370						
Planning and development	1 317	1 670	1 230	148	962	820	142	17%	1 230						
Road transport	62 392	62 677	73 139	7 311	43 809	48 760	(5 150)	-11%	73 139						
Environmental protection	-	-	-	-	-	-	-	-	-						
Trading services	63 825	79 101	76 337	9 024	54 644	50 891	3 753	7%	76 337						
Electricity	60 334	73 973	72 620	8 715	52 171	48 413	3 758	8%	72 620						
Water	-	-	-	-	-	-	-	-	-						
Waste water management	-	-	-	-	-	-	-	-	-						
Waste management	3 491	5 128	3 717	309	2 473	2 478	(5)	0%	3 717						
Other	-	-	-	-	-	-	-	-	-						
Total Revenue - Standard	334 986	394 326	402 785	19 260	283 763	268 523	15 239	6%	402 785						
Expenditure - Standard															
Governance and administration	188 442	164 839	174 849	12 026	94 317	116 566	(22 248)	-19%	174 849						
Executive and council	42 789	46 223	48 093	5 002	32 631	32 062	568	2%	48 093						
Budget and treasury office	98 858	70 927	83 899	3 929	30 877	55 933	(25 055)	-45%	83 899						
Corporate services	46 815	47 689	42 856	3 094	30 810	28 571	2 239	8%	42 856						
Community and public safety	27 466	22 539	21 477	1 437	13 603	14 316	(715)	-5%	21 477						
Community and social services	17 387	9 004	9 050	667	5 806	6 033	(227)	-4%	9 050						
Sport and recreation	-	579	719	28	381	479	(99)	-21%	719						
Public safety	10 079	12 956	11 709	742	7 416	7 806	(389)	-5%	11 709						
Housing	-	-	-	-	-	-	-	-	-						
Health	-	-	-	-	-	-	-	-	-						
Economic and environmental services	48 863	63 638	58 493	4 898	38 130	38 995	(866)	-2%	58 493						
Planning and development	14 116	14 507	10 580	940	5 687	7 053	(1 366)	-19%	10 580						
Road transport	34 747	49 131	47 913	3 958	32 442	31 942	500	2%	47 913						
Environmental protection	-	-	-	-	-	-	-	-	-						
Trading services	72 841	89 414	93 803	29 767	57 058	62 535	(5 477)	-9%	93 803						
Electricity	60 619	72 315	73 872	28 489	45 266	49 248	(3 982)	-8%	73 872						
Water	-	-	-	-	-	-	-	-	-						
Waste water management	-	-	-	-	-	-	-	-	-						
Waste management	12 223	17 099	19 931	1 278	11 793	13 287	(1 494)	-11%	19 931						
Other	-	-	-	-	-	-	-	-	-						
Total Expenditure - Standard	337 613	340 430	348 622	48 127	203 108	232 415	(29 306)	-13%	348 622						
Surplus (Deficit) for the year	(2 627)	53 896	54 163	(28 867)	80 654	36 109	44 545	123%	54 163						

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

Vote Description	Budget Year 2015/16										
	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	934	930	930	65	740	620	120	19.3%	930		
Vote 3 - Budget & Treasury	203 514	248 806	249 298	2 657	182 820	166 198	16 622	10.0%	249 298		
Vote 4 - Corporate Services	62	369	11	1	4	7	(3)	-39.2%	11		
Vote 5 - Community Services	11 515	12 248	9 957	807	6 690	6 638	52	0.8%	9 957		
Vote 6 - Technical Services	117 644	130 302	141 359	15 582	92 547	94 240	(1 693)	-1.8%	141 359		
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-		
Vote 8 - Developmental Planning	1 317	1 670	1 230	148	962	820	142	17.3%	1 230		
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-		
Total Revenue by Vote	334 986	394 326	402 785	19 260	283 763	268 523	15 239	5.7%	402 785		
Expenditure by Vote											
Vote 1 - Executive & Council	28 444	27 732	30 179	3 442	20 820	20 119	700	3.5%	30 179		
Vote 2 - Office of the Municipal Manager	14 324	20 660	21 099	1 561	11 811	14 066	(2 255)	-16.0%	21 099		
Vote 3 - Budget & Treasury	98 858	70 927	83 889	3 929	30 877	55 933	(25 055)	-44.8%	83 889		
Vote 4 - Corporate Services	46 815	28 962	18 506	1 192	14 326	12 338	1 989	16.1%	18 506		
Vote 5 - Community Services	56 589	46 798	43 209	3 127	28 756	28 806	(50)	-0.2%	47 395		
Vote 6 - Technical Services	78 466	114 286	119 984	32 035	74 347	79 989	(5 642)	-7.1%	115 798		
Vote 7 - Strategic Development	6 423	-	-	-	-	-	-	-	-		
Vote 8 - Developmental Planning	7 693	14 041	7 396	940	5 687	4 931	757	15.3%	7 396		
Vote 9 - Executive Support	-	17 023	24 350	1 902	16 483	16 233	250	1.5%	24 350		
Total Expenditure by Vote	337 613	340 430	348 622	48 127	203 108	232 415	(29 306)	-12.6%	348 622		
Surplus/ (Deficit) for the year	(2 627)	53 896	54 163	(28 867)	80 654	36 109	44 545	123.4%	54 163		

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 standard classification and vote respectively, 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 2015/16									
	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	19 271	26 182	24 797	1 876	14 947	16 531	(1 584)	-10%	24 797	
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	
Service charges - electricity revenue	56 385	62 973	62 620	6 208	45 767	41 747	4 020	10%	62 620	
Service charges - water revenue	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue	3 483	4 628	3 717	309	2 473	2 478	(5)	0%	3 717	
Service charges - other	8	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	1 199	3 280	1 000	91	584	667	(82)	-12%	1 000	
Interest earned - external investments	3 965	4 600	3 300	237	2 212	2 200	12	1%	3 300	
Interest earned - outstanding debtors	5 861	4 500	6 500	498	3 759	4 333	(574)	-13%	6 500	
Dividends received	-	-	-	-	-	-	-	-	-	
Fines	2 584	635	1 800	49	958	1 200	(242)	-20%	1 800	
Licences and permits	5 081	6 348	4 400	444	3 233	2 933	300	10%	4 400	
Agency services	-	-	-	-	-	-	-	-	-	
Transfers recognised - operational	170 641	216 652	216 652	254	162 373	144 435	17 938	12%	216 652	
Other revenue	7 540	1 415	280	18	1 463	173	1 290	745%	280	
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	
Total Revenue excluding capital transfers	276 019	331 224	325 046	9 985	237 770	216 697	21 073	10%	325 046	
Expenditure By Type										
Employee related costs	102 669	115 256	106 109	7 932	68 465	70 739	(2 274)	-3%	106 109	
Remuneration of councillors	18 844	18 543	17 659	2 256	11 453	11 773	(319)	-3%	17 659	
Debt impairment	11 357	11 000	11 000	-	-	7 333	(7 333)	-100%	11 000	
Depreciation & asset impairment	32 042	35 000	35 000	-	-	23 333	(23 333)	-100%	35 000	
Finance charges	-	-	-	-	-	-	-	-	-	
Bulk purchases	51 853	60 000	61 270	27 852	41 971	40 847	1 124	3%	61 270	
Other materials	1 687	5 430	6 489	517	4 134	4 326	(192)	-4%	6 489	
Contracted services	11 259	21 950	31 758	2 981	20 199	21 172	(973)	-5%	31 758	
Transfers and grants	1 832	3 300	1 900	103	466	1 267	(801)	-63%	1 900	
Other expenditure	106 070	69 551	77 438	6 487	56 422	51 625	4 796	9%	77 438	
Loss on disposal of PPE	-	400	-	-	-	-	-	-	-	
Total Expenditure	337 613	340 430	348 622	48 127	203 106	232 415	(29 306)	-13%	348 622	
Surplus/(Deficit)	(61 594)	(9 206)	(23 576)	(38 142)	34 662	(15 717)	50 379	(0)	(23 576)	
Transfers recognised - capital	58 967	63 102	77 739	9 275	45 992	51 826	(5 834)	(0)	77 739	
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	
Contributed assets	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers	(2 627)	53 896	54 163	(28 867)	80 654	36 109	-	-	54 163	
Taxation	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation	(2 627)	53 896	54 163	(28 867)	80 654	36 109	-	-	54 163	
Attributable to minorities	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality	(2 627)	53 896	54 163	(28 867)	80 654	36 109	-	-	54 163	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	(2 627)	53 896	54 163	(28 867)	80 654	36 109	-	-	54 163	

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 rental of facilities, interest on outstanding debtors, fines and other revenue. In the case of expenditure, all year to date actuals reflect an under spending variance except bulk purchase (3%) and other expenditure (9% 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

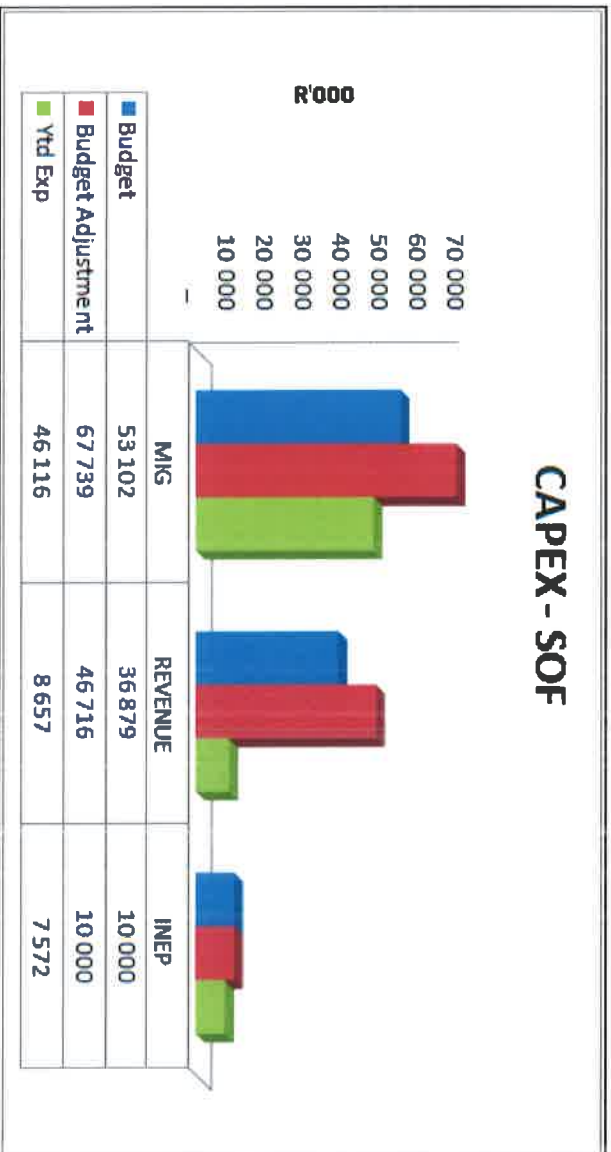
Vote Description	2014/15		Budget Year 2015/16						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD Variance	YTD Variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	2 940	1 100	1 434	56	510	956	(446)	-47%	1 434
Vote 5 - Community Services	244	4 200	4 700	453	3 210	3 133	76	2%	4 700
Vote 6 - Technical Services	77 987	56 735	76 398	6 508	37 592	50 932	(13 341)	-26%	76 398
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	1 150	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	82 321	62 035	82 533	7 017	41 311	55 022	(13 710)	-25%	82 533
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	2 940	-	300	-	-	200	(200)	-100%	300
Vote 5 - Community Services	244	2 300	1 800	-	-	1 200	(1 200)	-100%	1 800
Vote 6 - Technical Services	77 987	35 646	39 822	4 939	21 034	26 548	(5 514)	-21%	39 822
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	1 150	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	82 321	37 946	41 922	4 939	21 034	27 948	(6 914)	-25%	41 922
Total Capital Expenditure	164 642	99 981	124 455	11 956	62 345	82 970	(20 625)	-25%	124 455

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	Budget Year 2015/16									
	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	2 940	1 100	1 734	56	510	1 156	(646)	-56%	1 734	
Executive and council	-	-	-	-	-	-	-	-	-	
Budget and treasury office	-	-	-	-	-	-	-	-	-	
Corporate services	2 940	1 100	1 734	56	510	1 156	(646)	-56%	1 734	
Community and public safety	244	6 500	1 600	453	3 210	1 067	2 143	201%	1 600	
Community and social services	244	6 500	600	-	21	400	(379)	-95%	600	
Sport and recreation	-	-	-	-	-	-	-	-	-	
Public safety	-	-	1 000	453	3 188	667	2 522	378%	1 000	
Housing	-	-	-	-	-	-	-	-	-	
Health	-	-	-	-	-	-	-	-	-	
Economic and environmental services	70 300	79 381	96 993	8 235	49 061	64 662	(15 601)	-24%	96 993	
Planning and development	1 150	-	-	-	-	-	-	-	-	
Road transport	69 150	79 381	96 993	8 235	49 061	64 662	(15 601)	-24%	96 993	
Environmental protection	-	-	-	-	-	-	-	-	-	
Trading services	8 837	13 000	24 128	3 211	9 564	16 085	(6 521)	-41%	24 128	
Electricity	8 837	13 000	23 228	3 211	9 564	15 485	(5 921)	-38%	23 228	
Water	-	-	-	-	-	-	-	-	-	
Waste water management	-	-	-	-	-	-	-	-	-	
Waste management	-	-	900	-	-	600	(600)	-100%	900	
Other	-	-	-	-	-	-	-	-	-	
Total Capital Expenditure - Standard Classification	82 321	99 981	124 455	11 956	62 345	82 970	(20 625)	-25%	124 455	
Funded by:										
National Government	58 666	53 102	77 739	9 439	53 688	51 826	1 862	4%	77 739	
Provincial Government	-	-	-	-	-	-	-	-	-	
District Municipality	-	-	-	-	-	-	-	-	-	
Other transfers and grants	-	10 000	-	-	-	-	-	-	-	
Transfers recognised - capital	58 666	63 102	77 739	9 439	53 688	51 826	1 862	4%	77 739	
Public contributions & donations	-	-	-	-	-	-	-	-	-	
Borrowing	-	-	-	-	-	-	-	-	-	
Internally generated funds	23 655	36 879	46 716	2 517	8 657	31 144	(22 486)	-72%	46 716	
Total Capital Funding	82 321	99 981	124 455	11 956	62 345	82 970	(20 625)	-25%	124 455	

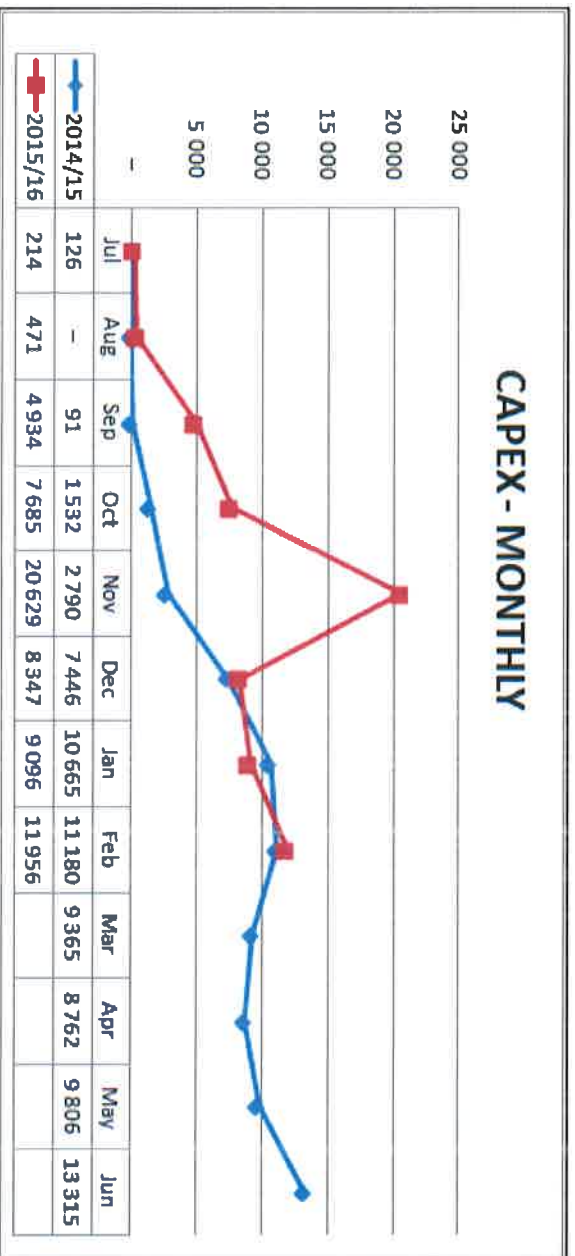
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and funding. For the month of February 2016, R11, 956 million spending was incurred and the year to date budget amounts to R82, 970 as compared to the adjusted budget million which shows an unfavourable spending variance of R20, 625 million (25%).

CAPEX - SOF



The above graph shows the components of sources of finance for capital budget. Of the total adjusted capital budget of R124, 455 million, R67, 739 million is funded from Municipal Infrastructure grant of which R14, 637 million is a roll over from the 2014/15 financial year , R10 million from INEP and R46, 716 million from Own Revenue.

CAPEX - MONTHLY



The above graph compares the 2014/15 and 2015/16 monthly capital expenditure performance. In addition, the graph shows that the 2014/15 capital expenditure pattern started improving in November and went slightly down during the past two months and went slightly up in the current month.

Table C6: Monthly Budget Statement Financial Position

Description	2014/15	Budget Year 2015/16			Year TD actual	Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual		
ASSETS						
Current assets						
Cash	24 967	10 631	18 192	17 229	18 192	
Call investment deposits	–	15 000	25 000	35 598	25 000	
Consumer debtors	18 744	24 184	24 184	22 125	24 184	
Other debtors	31 791	14 400	7 232	32 301	7 232	
Current portion of long-term receivables	–	–	–	–	–	
Inventory	2 636	2 500	2 936	3 264	2 936	
Total current assets	78 138	66 715	77 544	110 517	77 544	
Non current assets						
Long-term receivables	–	–	–	–	–	
Investments	–	–	–	–	–	
Investment property	89 472	90 000	85 382	89 472	85 382	
Investments in Associate	–	–	–	–	–	
Property, plant and equipment	729 129	796 793	884 484	730 387	884 484	
Agricultural	–	–	–	–	–	
Biological assets	323	–	–	–	–	
Intangible assets	640	–	–	640	–	
Other non-current assets	10 650	–	–	10 974	–	
Total non current assets	830 215	886 793	969 866	831 472	969 866	
TOTAL ASSETS	908 353	953 508	1 047 410	941 989	1 047 410	
LIABILITIES						
Current liabilities						
Bank overdraft	–	–	–	–	–	
Borrowing	–	–	–	–	–	
Consumer deposits	5 531	5 500	5 600	5 107	5 600	
Trade and other payables	61 539	29 000	21 500	65 405	21 500	
Provisions	1 362	–	–	–	–	
Total current liabilities	68 432	34 500	27 100	70 512	27 100	
Non current liabilities						
Borrowing	–	–	–	–	–	
Provisions	79 033	40 000	32 512	76 694	32 512	
Total non current liabilities	79 033	40 000	32 512	76 694	32 512	
TOTAL LIABILITIES	147 465	74 500	59 612	147 206	59 612	
NET ASSETS	760 887	879 008	987 798	794 783	987 798	
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)	760 887	879 008	987 798	794 783	987 798	
Reserves	–	–	–	–	–	
TOTAL COMMUNITY WEALTH/EQUITY	760 887	879 008	987 798	794 783	987 798	

The above table shows that community wealth amounts to R794, 783 million, total liabilities R147, 206 million and the total assets R 941, 989 million. The increase in total liabilities is attributed to 2015/16 transactions that were paid using creditors suspense that still need to be cleared off and the provisions that are incorporated in the annual financial statements for prior financial year.

Table C7: Monthly Budget Statement Cash Flow

Description	2014/15		Budget Year 2015/16						Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	81 994	107 021	93 677	9 410	57 273	62 451	(5 178)	-8%	93 677
Government - operating	177 191	170 641	216 652	254	162 373	144 435	17 938	12%	216 652
Government - capital	58 967	50 840	77 739	9 275	45 992	51 826	(5 834)	-11%	77 739
Interest	9 257	8 105	5 153	559	2 579	3 435	(856)	-25%	5 153
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(265 949)	(254 448)	(286 323)	(48 024)	(287 563)	(190 882)	96 700	-51%	(286 323)
Finance charges	-	-	-	-	-	-	-	-	-
Transfers and Grants	(1 832)	(9 600)	(1 900)	(103)	(466)	(1 287)	(801)	63%	(1 900)
NET CASH FROM/(USED) OPERATING ACTIVITIES	59 630	72 559	104 998	(28 628)	(19 831)	69 998	89 830	128%	104 998
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	459	5 000	1 846	-	-	1 231	(1 231)	-100%	1 846
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	33 239	-	-	22 160	(22 160)	-100%	33 239
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(70 369)	(99 981)	(124 455)	(13 629)	(71 074)	(82 970)	(11 896)	14%	(124 455)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(69 910)	(94 981)	(89 369)	(13 629)	(71 074)	(59 580)	11 494	-19%	(89 369)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	500	2 597	29	952	250	702	281%	2 597
Payments									
Repayment of borrowing	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	500	2 597	29	952	250	(702)	-281%	2 597
NET INCREASE/(DECREASE) IN CASH HELD	(10 280)	(21 922)	18 225	(42 229)	(89 952)	10 669			18 225
Cash/cash equivalents at beginning:	35 247	20 000	24 967		142 780	24 967			142 780
Cash/cash equivalents at month/year end:	24 967	(1 922)	43 192		52 827	35 636			161 005

Table C7 presents details pertaining to cash flow performance. For the month of February 2016, the net cash inflow from operating activities is R19, 831 million whilst net cash outflow from investing activities is R71, 074 million that is mainly comprised of capital expenditure movement, and the net cash inflow from financing activities is R952 thousand. The cash and cash equivalent held at the end of February 2016 amounted to R52, 827 million that is made up of cash amounting R17, 229 million and short term investments of R35, 598 million as presented in Table A6 under current assets.

PART 2: SUPPORTING TABLES

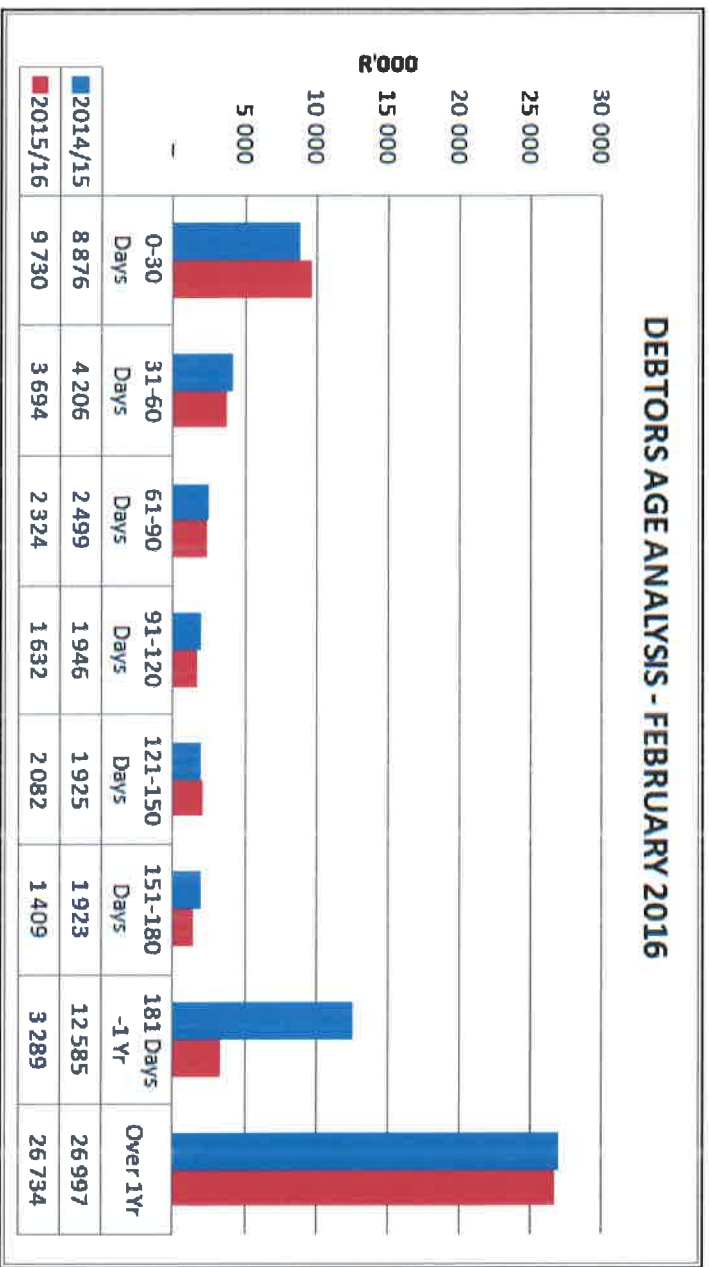
Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2015/16								
	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
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	5 961	1 732	715	250	202	138	(2 872)	1 313	7 440
Receivables from Non-exchange Transactions - Property Rates	1 919	967	809	734	691	660	3 142	15 840	24 761
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	309	124	61	42	36	35	161	1 118	1 885
Receivables from Exchange Transactions - Property Rental Debtors	74	17	17	11	18	5	64	790	995
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-
Other	1 467	854	722	594	1 135	571	2 794	7 674	15 811
Total By Income Source	9 730	3 694	2 324	1 632	2 082	1 409	3 289	26 734	50 893
2014/15 - totals only									
Debtors Age Analysis By Customer Group									
Organs of State	1 166	523	634	202	150	146	558	1 374	4 752
Commercial	4 768	1 308	423	419	747	323	(592)	6 068	13 465
Households	2 664	1 294	769	544	458	422	2 563	10 768	19 482
Other	1 132	567	498	467	728	518	760	8 524	13 194
Total By Customer Group	9 730	3 694	2 324	1 632	2 082	1 409	3 289	26 734	50 893

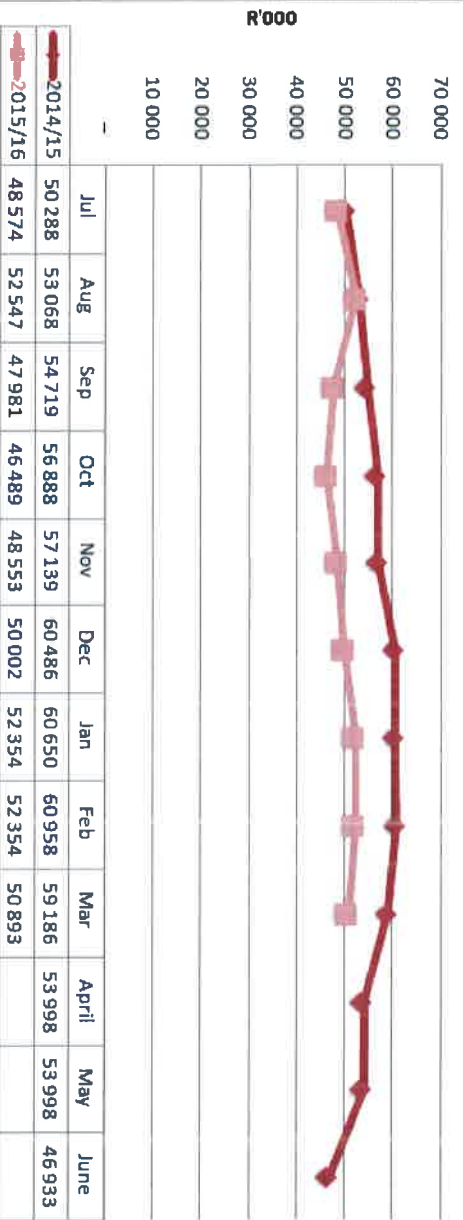
Supporting table SCC3 provides a breakdown of the debtors. The outstanding debtors as at end of February amount to R50, 893 million. The debtors' book is made up as follows:

- Rates 48,65%
- Electricity 14,62%
- Rental 1,96%
- Refuse removal 3,70%
- Other - 31,07%

The debtors' age analysis is graphically presented below.



DEBTORS AGE ANALYSIS - MONTHLY



The initial graph compares debtors' age analysis for 2014/15 financial year and 2015/16 (as at end of February 2016) whilst the latter shows monthly movement of debtors for both the current financial year and the 2014/15 financial year.

Below is list of top twenty debtors that contribute significantly to the ever growing debt book.

TOP TWENTY DEBTORS

Account No	Customer Name	Erf Number	Ward	Town	Suburb	Con Type	Owner Type	Outs. Balance	Handed Ovr
9900067	WATER PURIFICAT	00 000000100	0000	0000	GROBLERSDAL	GOVERNMENT	OCCUPIER	1,222,591.73	Y
9012345	BREED J & OOSTH	90 000000026	0000RG	0000	GROBLERSDAL	BUSINESS	OCCUPIER	594,150.64	N
1501364	JAN JOUBERT T	15 000001780	000000	0000	GROBLERSDAL	INDUSTRIAL	OWNER	539,395.69	N
201885	SHOPRITE CHECKE	02 000000984	00000	0000	GROBLERSDAL	BUSINESS	OCCUPIER	251,341.73	N
9000000	REPUBLIC VAN S	90 000000012	00000	0000	FARMS JS	AGRICULTURE	OWNER	245,767.51	Y
6000908	DEPARTMENT OF E	60 000000822	00000	0000	MOTETEMA A	RESIDENTIAL	OWNER	225,978.25	Y
9001077	ROYAL SQUARE IN	90 000000177	00000	0000	FARMS JS	AGRICULTURE	OWNER	219,500.06	Y
9001035	NDEBELE MAHLANG	90 000000129	00000	0000	FARMS JS	AGRICULTURE	OWNER	203,567.90	Y
5065535	BUMAZI PROPERTI	05 000000489	00003	0000	GROBLERSDAL	BUSINESS	OCCUPIER	195,636.03	N
2913	SHOPRITE/CHECKE	00 000000100	00001	0000	GROBLERSDAL	MUNICIPAL	OCCUPIER	194,931.75	Y
9000804	NATIONAL-GOVERN	90 000000056	00002	0000	FARMS JS	AGRICULTURE	OWNER	187,234.59	Y
37850	WORUD WATCH TRA	00 000000098	000004	0010	GROBLERSDAL	BUSINESS	OCCUPIER	178,452.18	Y
9001052	NDEBELE STAM	90 000000153	00000	0000	FARMS JS	AGRICULTURE	OWNER	175,907.40	Y
9000628	LANDBOUNAVORSIN	90 000000053	00111	0000	FARMS JS	AGRICULTURE	OWNER	171,702.30	Y
9001039	NDEBELE MAHLANG	90 000000133	00000	0000	FARMS JS	AGRICULTURE	OWNER	168,145.76	Y
26610	LUVON INVESTME	00 000000765	00000	0000	GROBLERSDAL	BUSINESS	OWNER	167,451.95	N
9001055	NDEBELE STAM	90 000000157	00000	0000	FARMS JS	AGRICULTURE	OWNER	163,795.36	Y
9001050	NDEBELE STAM	90 000000151	00000	0000	FARMS JS	AGRICULTURE	OWNER	151,417.14	Y
5050505	MOBILE TELEPHON	50 000002677	000000	0000	ROOSSENEAL	BUSINESS	OCCUPIER	150,334.04	N
211693	BOXER SUPERSTOR	02 0000000283	000000	0000	GROBLERSDAL	BUSINESS	OCCUPIER	149,728.88	N
TOTAL								5 557 031	

Supporting Table: SC 4 - Creditors Age Analysis

Description	NT Code	Budget Year 2015/16								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	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	-

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

CODE	CREDITOR NAME	AMOUNT
40068	NDLUNKHULU ENGINEERING	1 781 525
464	MOLELEKI A TLALA TRANSPORT AND	1 392 699
40058	SERVIMODE 62CC	1 141 315
41048	IMBAWULA TRADING ENTERPRISE CC	686 027
41091	P MATLALA	632 834
41046	BETSEKGADI COMMUNITY PROJECTS	620 006
41045	MASEKWAMENG TRADERS CC	478 080
512	PATRICK MAKGOKA CONSTRUCTION	463 589
511	ARB ELECTRICAL WHOLESALERS	439 454
41075	REKHUDITSE CONSTRUCTION	402 947
40083	TUMBER FOURIE CONSULTING	344 035
4001	MOKWENA MOTORS T/A NONYANE MOT	337 650
40070	AES CONSULTING JV MATTALA ELEC	302 595
37678	SHATADI DEVELOPERS	278 507
70083	SEKHUKHUNE SEBATALADI HOLDINGS	190 000
31905	MORANA TRADING ENTERPRISES	169 000
37688	MOTLAKE'S CONSTRUCTION & PROJE	120 000
35510	MAGAUTA RECRUITMENT	111 025
70085	CHEAP CHEAP TRAVEL	107 354
37732	BONKOSI BUILDING CONSTRUCTION	88 100
TOTAL		10 086 741

The above table presents the top twenty creditors paid during the month of February 2016 and an amount of R10, 087 million was paid during the month under review.

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
	Yrs/Months							
Municipality								
Sarlam	1 Month	Short term	29-Feb-2016	1	0.16%	338	-	338
Nedbank	1 Month	Short term	31-Mar-2016	139	7.27%	35 000	-	35 139
Absa - MIG	1 Months	Short term	29-Feb-2016	41	0.12%	34 194	34 195	41
Absa Call Account	1 Month	Short term	2-Feb-2016	52	0.48%	10 770	10 742	80
TOTAL INVESTMENTS AND INTEREST				232		80 302	44 936	35 598

Supporting table SC5 presents all investments that indicate that the total amount of R35, 598 million has been invested as at end of February 2016. The opening balance was R80, 302 million, an amount of R 44,936 million has been withdrawn during the current month and accrued interest for the month amounted to R232 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

Description	Budget Year 2015/16									
	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	170 641	216 652	216 652	349	163 412	163 412	-	-	216 652	
Local Government Equitable Share	166 920	212 959	212 959	-	159 719	159 719	-	-	212 959	
Finance Management	1 600	1 600	1 600	-	1 600	1 600	-	-	1 600	
Municipal Systems Improvement	934	930	930	-	930	930	-	-	930	
EPWP Incentive	1 187	1 163	1 163	349	1 163	1 163	-	-	1 163	
Other transfers and grants [insert description]										
Total Operating Transfers and Grants	170 641	216 652	216 652	349	163 412	163 412	-	-	216 652	
Capital Transfers and Grants										
National Government	65 840	63 102	77 739	5 100	43 654	43 654	-	-	77 739	
Municipal Infrastructure Grant (MIG)	65 840	53 102	67 739	-	33 654	33 654	-	-	67 739	
Integrated National Electrification Grant	-	10 000	10 000	5 100	10 000	10 000	-	-	10 000	
Total Capital Transfers and Grants	65 840	63 102	77 739	5 100	43 654	43 654	-	-	77 739	
TOTAL RECEIPTS OF TRANSFERS & GRANTS	236 481	279 754	294 391	5 449	207 066	207 066	-	-	294 391	

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R207, 066 million of which the major portion is attributed to equitable share (i.e. R159, 719 million) received. The total amount of R 5, 449 million has been received during the month of February from INEP and EPWP grant. Other grants include amongst others, FMG, MSIG and EPWP.

Supporting Table: SC 7 Transfers and grants - Expenditure

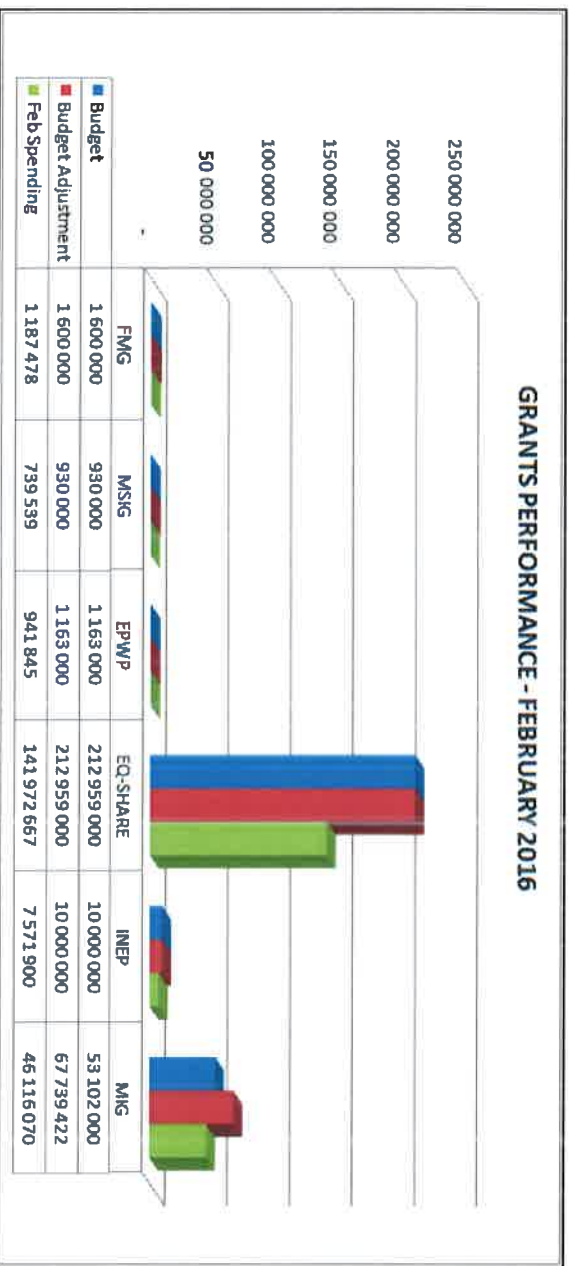
Description	2014/15 Audited Outcome	Budget Year 2015/16							Full Year Forecast
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	170 635	216 652	216 652	18 001	144 842	144 435	407	0.3%	216 652
Local Government Equitable Share	166 920	212 959	212 959	17 747	141 973	141 973	(0)	0.0%	212 959
Finance Management	1 600	1 600	1 600	42	1 187	1 067	121	11.3%	1 600
Municipal Systems Improvement	934	930	930	65	740	620	120	19.3%	930
EPWP Incentive	1 181	1 163	1 163	148	942	775	167	21.5%	1 163
Total operating expenditure of Transfers and Grants:	170 635	216 652	216 652	18 001	144 842	144 435	407	0.3%	216 652
Capital expenditure of Transfers and Grants									
National Government:	42 434	63 102	63 102	7 449	43 980	51 826	(7 846)	-15.1%	63 102
Municipal Infrastructure Grant (MIG)	42 434	53 102	53 102	5 075	36 408	45 160	(8 751)	-19.4%	53 102
Integrated National Electrification Grant	-	10 000	10 000	2 374	7 572	6 667	905	13.6%	10 000
Total capital expenditure of Transfers and Grants	42 434	63 102	63 102	7 449	43 980	51 826	(7 846)	-15.1%	63 102
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	213 068	279 754	279 754	25 451	188 822	196 261	(7 439)	-3.8%	279 754

An amount of R25, 451 million has been spent on grants during the month of February 2016 and the year to date budget amounts to R196, 261 million and this results in under spending variance of R7, 439 (3,8%). Of the total spending R18, 001 million is spent from operational grant whilst R7, 449 million is spent from capital grant (MIG) and (INEP).

Supporting Table: SC 7 (2) Expenditure against approved roll over

Description	Budget Year 2015/16				
	Approved Roll-over 2014/15	Monthly actual	YearTD actual	YTD variance	YTD variance
EXPENDITURE					
Capital expenditure of Approved Roll-overs					
National Government:					
Municipal Infrastructure Grant (MIG)	14 637	1 989	9 708	4 929	33.7%
Total capital expenditure of Approved Roll-overs	14 637	1 989	9 708	4 929	33.7%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	14 637	1 989	9 708	4 929	33.7%

The total amount of R14, 637 million has been rolled over from the 2014/15 financial year of with R 9, 708 been spent which shows a 33,7% variance when compared to the rolled over amount.



The above graph depicts the gazette and adjusted budgeted amounts for all the grants and the expenditure thereof for the month of February 2016. The grants expenditure is shown below in percentages:

- Financial Management Grant 74,22%
- Municipal Systems Improvement Grant 79,52%
- Expanded Public Work Programme 80,98%
- Equitable Share 66,67%
- Municipal Infrastructure Grant 68,08%
- Integrated National Electrification Grant 75,72%

Supporting Table: SC8 - Councillor Allowances and Employee Related Costs

Summary of Employee and Councillor remuneration	Budget Year 2015/16									
	2014/15	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast	
Councillors (Political Office Bearers plus Other)	Outcome	Budget	Budget	actual	actual	budget	variance	variance	Forecast	
Basic Salaries and Wages	12 196	3 548	10 624	1 596	7 231	7 083	148	2%	10 624	
Pension and UIF Contributions	1 047	1 408	1 188	122	634	792	(158)	-20%	1 188	
Medical Aid Contributions	252	408	322	29	189	214	(26)	-12%	322	
Motor Vehicle Allowance	4 030	4 075	3 872	343	2 286	2 582	(296)	-11%	3 872	
Cellphone Allowance	-	1 554	1 652	166	1 114	1 102	12	1%	1 652	
Housing Allowances	-	-	-	-	-	-	-	-	-	
Other benefits and allowances	381	7 550	0	-	-	0	(0)	-100%	0	
Sub Total - Councillors	17 905	18 543	17 659	2 256	11 453	11 773	(319)	-3%	17 659	
Senior Managers of the Municipality										
Basic Salaries and Wages	3 106	4 831	4 646	411	3 065	3 097	(33)	-1%	4 646	
Pension and UIF Contributions	209	503	543	41	239	362	(123)	-34%	543	
Medical Aid Contributions	-	175	122	7	139	81	57	70%	122	
Overtime	-	-	-	-	-	-	-	-	-	
Performance Bonus	-	-	-	-	-	-	-	-	-	
Motor Vehicle Allowance	566	840	1 391	56	493	928	(434)	-47%	1 391	
Cellphone Allowance	-	-	-	-	-	-	-	-	-	
Housing Allowances	-	-	-	-	-	-	-	-	-	
Other benefits and allowances	54	596	200	3	273	134	139	104%	200	
Payments in lieu of leave	-	-	-	-	-	-	-	-	-	
Long service awards	-	-	-	-	-	-	-	-	-	
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-	
Sub Total - Senior Managers of Municipality	3 936	6 944	6 902	517	4 208	4 602	(394)	-9%	6 902	
Other Municipal Staff										
Basic Salaries and Wages	58 199	73 424	64 167	5 315	42 220	42 778	(558)	-1%	64 167	
Pension and UIF Contributions	11 194	14 613	13 843	1 028	8 014	9 229	(1 215)	-13%	13 843	
Medical Aid Contributions	2 949	4 616	4 378	309	2 306	2 919	(612)	-21%	4 378	
Overtime	1 473	1 380	2 022	152	1 582	1 348	244	18%	2 022	
Performance Bonus	-	-	-	-	-	-	-	-	-	
Motor Vehicle Allowance	4 994	5 632	6 239	443	3 424	4 159	(735)	-18%	6 239	
Cellphone Allowance	-	-	-	-	-	-	-	-	-	
Housing Allowances	95	157	201	12	87	134	(47)	-35%	201	
Other benefits and allowances	9 713	7 864	7 628	127	5 671	5 085	586	12%	7 628	
Payments in lieu of leave	1 001	530	220	(22)	259	146	112	77%	220	
Long service awards	-	95	510	52	604	340	264	78%	510	
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-	
Sub Total - Other Municipal Staff	89 617	108 312	99 206	7 415	64 177	66 137	(1 960)	-3%	99 206	
Total Parent Municipality	111 458	133 799	123 768	10 188	79 838	82 512	(2 673)	-3%	123 768	
TOTAL SALARY ALLOWANCES & BENEFITS	111 458	133 799	123 768	10 188	79 838	82 512	(2 673)	-3%	123 768	
TOTAL MANAGERS AND STAFF	93 553	115 256	106 109	7 932	68 385	70 739	(2 354)	-3%	106 109	

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for February 2016 amounts to R10, 188 million (Year to date R 79, 838 million) and the expenditure for remuneration of councillors amounts to R 2, 256 million (Year to date R11, 453).

Description	Budget Year 2016/16												2015/16 Medium Term Revenue		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget	Budget	Budget
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Year	Year +1	Year +2
Cash Receipts By Source															
Property rates	3 411	1 062	1 454	1 505	1 350	1 097	1 214	1 430	--	--	--	11 826	24 349	25 847	27 359
Property rates - penalties & collection charges	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Service charges - electricity revenue	5 818	3 640	8 581	5 003	4 194	4 493	4 592	7 526	--	--	--	14 717	58 565	62 167	65 803
Service charges - water revenue	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Service charges - sanitation revenue	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Service charges - refuse	248	239	277	283	263	239	268	313	--	--	--	2 175	4 304	4 569	4 836
Service charges - other	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Rental of facilities and equipment	90	66	53	51	71	68	63	73	--	--	--	2 755	3 290	3 493	3 697
Interest earned - external investments	87	498	281	60	384	329	289	237	--	--	--	2 435	4 600	4 883	5 169
Interest earned - outstanding debtors	73	64	102	93	103	52	99	322	--	--	--	(909)	--	--	--
Dividends received	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Fines	--	--	57	621	51	45	49	49	--	--	--	(555)	318	335	353
Licences and permits	1 149	455	447	400	465	326	255	444	--	--	--	1 877	5 819	6 177	6 538
Agency services	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Transfer receipts - operating	88 520	554	368	706	71 296	476	199	254	--	--	--	54 279	216 652	233 223	229 161
Other revenue	31 085	124	51	43	16 499	19	49	41 263	--	--	--	(88 037)	1 096	1 515	1 595
Cash Receipts by Source	130 480	6 702	11 672	8 765	94 677	7 144	7 078	61 912	--	--	--	564	318 994	342 207	344 610
Other Cash Flows by Source															
Transfer receipts - capital	--	656	5 712	7 198	6 234	8 314	8 271	10 573	--	--	--	16 143	63 102	65 178	68 289
Contributions & Contributed assets	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Proceeds on disposal of PPE	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Short term loans	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Borrowing long term/refinancing	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Increase in consumer deposits	894	4	(137)	16	17	17	(27)	29	--	--	--	(312)	500	500	500
Receipt of non-current debtors	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Receipt of non-current receivables	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Change in non-current investments	--	30 141	--	--	--	--	--	--	--	--	--	(30 141)	--	--	--
Total Cash Receipts by Source	131 374	37 502	17 247	15 979	100 928	15 476	15 322	62 514	--	--	--	(13 746)	382 596	407 885	413 299
Cash Payments by Type															
Employee related costs	15 044	7 393	8 432	7 805	8 054	12 898	8 251	7 932	--	--	--	39 449	115 256	122 344	129 501
Remuneration of councillors	2 716	1 461	1 538	1 514	157	1 516	1 460	2 256	--	--	--	5 926	18 543	19 563	20 600
Interest paid	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Bulk purchases - Electricity	58	12 919	5 452	56	4 460	9 340	98	27 852	--	--	--	(236)	60 000	63 300	66 655
Bulk purchases - Water & Sewer	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Other materials	323	877	577	589	520	703	355	517	--	--	--	969	5 430	5 764	6 101
Contracted services	--	18 445	(1 525)	3 153	--	2 574	(185)	2 981	--	--	--	(3 492)	21 950	23 300	24 389
Grants and subsidies paid - other municipalities	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Grants and subsidies paid - other	--	--	176	--	88	98	--	103	--	--	--	2 834	3 300	3 503	3 708
General expenses	6 068	33 199	1 592	21 859	8 395	12 527	18 969	17 229	--	--	--	(57 183)	62 654	62 393	59 190
Cash Payments by Type	24 208	74 294	16 242	34 976	21 674	39 656	28 948	58 869	--	--	--	(11 734)	287 133	300 168	310 144
Other Cash Flows/Payments by Type															
Capital assets	214	471	5 625	8 761	20 629	9 516	10 369	13 629	--	--	--	30 766	99 981	99 178	98 589
Repayment of borrowing	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Other Cash Flows/Payments	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Cash Payments by Type	24 421	74 765	21 867	43 737	42 304	49 172	39 318	72 499	--	--	--	19 032	387 114	399 346	408 733
NET INCREASE/(DECREASE) IN CASH HELD	106 953	(37 262)	(4 621)	(27 758)	58 625	(33 696)	(23 996)	(9 985)	--	--	--	(32 778)	(4 519)	8 540	4 566
Cash/cash equivalents at the month/year beginning:	24 567	131 520	94 258	89 637	61 879	120 504	86 808	62 812	52 827	52 827	52 827	24 567	20 049	28 588	28 588
Cash/cash equivalents at the month/year end:	131 520	94 258	89 637	61 879	120 504	86 808	62 812	52 827	52 827	52 827	20 049	20 049	28 588	33 155	

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 62, 514 million and the total cash payment for the month were R72, 499 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	Budget Year 2014/15							Budget Year 2015/16				% 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	126	4 584	4 584	214	214	4 584	4 370	95.3%	0.21%			
August	–	6 184	6 184	471	844	10 768	9 924	92.2%	0.84%			
September	91	7 005	7 005	4 934	4 934	17 773	12 839	72.2%	4.94%			
October	1 532	8 840	8 840	7 685	7 685	26 613	18 928	71.1%	7.69%			
November	2 790	11 250	11 250	20 182	20 182	37 863	17 681	46.7%	20.19%			
December	7 446	11 260	11 260	8 347	8 347	49 123	40 776	83.0%	8.35%			
January	10 665	8 500	8 500	8 556	8 556	57 623	49 068	85.2%	8.56%			
February	11 180	12 291	12 345	11 956	11 956	69 968	58 013	82.9%	11.96%			
March	9 365	9 710	13 789	–	–	83 757	–	–	–			
April	8 762	7 165	10 876	–	–	94 633	–	–	–			
May	8 514	6 842	13 654	–	–	108 287	–	–	–			
June	5 315	6 350	16 168	–	–	124 455	–	–	–			
Total Capital expenditure	65 787	99 981	124 455	62 345								

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, 956 million. The capital budget spending is way below the projected spending for February and this results in the mid year target not being achieved.

In terms of the budget projection for the month, the spending was anticipated to be at R69, 968 million and only R62, 345 million has actually been spent. This reflects under spending variance of 82,9%.

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

Description	2014/15		Budget Year 2015/16						
	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	44 586	57 102	88 748	9 708	48 683	59 165	10 482	17.7%	88 748
Roads, Pavements & Bridges	38 541	40 602	58 002	6 471	38 126	38 668	542	1.4%	58 002
Storm water	597	5 000	7 118	25	992	4 745	3 753	79.1%	7 118
Generation	-	-	-	-	-	-	-	-	-
Transmission & Refurbication	3 151	10 000	13 776	2 374	7 572	9 184	1 612	17.6%	13 776
Street Lighting	2 297	1 500	9 451	837	1 993	6 301	4 308	68.4%	9 451
Waste Management			400	-	-	267	267	100.0%	400
Community	2 498	-	-	-	-	-	-	-	-
Parks & gardens	159	-	-	-	-	-	-	-	-
Cemeteries	2 339	-	-	-	-	-	-	-	-
Other assets	1 065	-	300	-	-	200	200	100.0%	300
Other	1 065	-	300	-	-	200	200	100.0%	300
Total Capital Expenditure on new assets	48 148	57 102	89 048	9 708	48 683	59 365	10 682	18.0%	89 048

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

Description	Budget Year 2015/16									
	2014/15		2015/16		2015/16		2015/16		2015/16	
	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	10 595	30 779	24 072	1 739	9 941	16 048	6 107	38.1%	24 072	
Infrastructure										
Roads, Pavements & Bridges	6 532	26 779	21 572	1 739	9 941	14 381	4 440	30.9%	21 572	
Storm water	-	-	-	-	-	-	-	-	-	
Generation	-	-	-	-	-	-	-	-	-	
Transmission & Reticalation	3 565	1 500	1 000	-	-	667	667	100.0%	1 000	
Street Lighting	-	-	-	-	-	-	-	-	-	
Waste Management	499	2 500	1 500	-	-	1 000	1 000	100.0%	1 500	
Transportation	-	-	-	-	-	-	-	-	-	
Gas	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	
Community	-	-	600	-	-	400	400	100.0%	600	
Parks & gardens	-	-	400	-	-	267	267	100.0%	400	
Cemeteries	-	-	200	-	-	133	133	100.0%	200	
Other assets	7 044	12 100	10 736	509	3 721	7 157	3 436	48.0%	10 736	
General vehicles	-	-	-	-	-	-	-	-	-	
Specialised vehicles	-	-	-	-	-	-	-	-	-	
Plant & equipment	-	-	-	-	-	-	-	-	-	
Computers - hardware/equipment	469	500	500	25	79	333	333	100.0%	500	
Furniture and other office equipment	282	500	530	-	-	353	274	77.7%	530	
Abattoirs	-	-	-	-	-	-	-	-	-	
Markets	-	-	-	-	-	-	-	-	-	
Civic Land and Buildings	2 588	1 000	-	-	-	-	-	0.0%	-	
Other Buildings	1 841	10 000	9 302	453	3 211	6 201	3 011	48.6%	9 302	
Other Land	1 009	-	-	-	-	-	-	-	-	
Other	855	100	404	31	431	269	(162)	-60.1%	404	
Total Capital Expenditure on renewal of existing assets	17 639	42 879	35 407	2 248	13 663	23 605	9 942	42.1%	35 407	

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

Description	Budget Year 2015/16									
	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	3 506	4 500	5 518	366	839	3 679	2 840	77.2%	5 518	
Infrastructure										
Roads, Pavements & Bridges	881	3 000	2 418	360	830	1 612	782	48.5%	2 418	
Storm water	244	-	-	-	-	-	-	-	-	
Generation	-	-	-	-	-	-	-	-	-	
Transmission & Retikulation	1 271	-	1 000	-	-	667	667	100.0%	1 000	
Waste Management	1 110	1 500	2 100	6	9	1 400	1 391	99.4%	2 100	
Other assets	7 481	7 200	4 345	322	4 128	2 897	(1 231)	-42.5%	4 345	
General vehicles	3 931	2 000	1 150	69	704	767	62	8.1%	1 150	
Specialised vehicles	-	-	-	-	-	-	-	-	-	
Plant & equipment	586	3 000	1 000	164	2 273	667	(1 607)	-241.0%	1 000	
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-	
Furniture and other office equipment	-	-	-	-	-	-	-	-	-	
Abattoirs	-	-	-	-	-	-	-	-	-	
Markets	-	-	-	-	-	-	-	-	-	
Civic Land and Buildings	-	-	-	-	-	-	-	-	-	
Other Buildings	1 498	2 000	1 619	-	827	1 079	252	23.4%	1 619	
Other Land	-	-	-	-	-	-	-	-	-	
Surplus Assets - (Investment or Inventory)	1 466	-	576	89	323	384	61	15.9%	576	
Other	-	200	-	-	-	-	-	-	-	
Intangibles	-	120	50	5	9	33	24	72.7%	50	
Computers - software & programming	-	-	-	-	-	-	-	-	-	
Other	-	120	50	5	9	33	24	72.7%	50	
Total Repairs and Maintenance Expenditure	10 988	11 820	9 913	693	4 976	6 609	1 633	24.7%	9 913	

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 expenditure for new capital projects amounts to R48, 708 million and the year to date budget is R59, 365 million which reflects 18% less expenditure on new assets. The spending on renewal of existing assets for February amounts R2, 248 million and the year to date actual is R13, 663 million with the year to date budget reflecting an amount of R23, 605 million and this reflects 42, 1% under spending variance.

The actual expenditure for the month of February 2016 on repairs and maintenance is R 693 thousand and the year to date budget is R6, 609 million, reflecting under spending variance of 24, 7% when compared to the adjusted budget.

Supporting Table: SC 13(d) Depreciation by Asset Classification

Description	Budget Year 2015/16									
	2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast	
Depreciation by Asset Class/Sub-class										
Infrastructure	-	32 638	-	-	-	16 319	16 319	100.0%	32 638	
Roads, Pavements & Bridges	-	22 710	-	-	-	11 355	11 355	100.0%	22 710	
Storm water	-	4 725	-	-	-	2 363	2 363	100.0%	4 725	
Generation	-	2 328	-	-	-	1 164	1 164	100.0%	2 328	
Transmission & Reticalation	-	1 575	-	-	-	788	788	100.0%	1 575	
Street Lighting	-	-	-	-	-	-	-	-	-	
Waste Management	-	1 300	-	-	-	650	650	100.0%	1 300	
Transportation	-	-	-	-	-	-	-	-	-	
Gas	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	
Community	-	2 145	-	-	-	1 073	1 073	100.0%	2 145	
Cemeteries	-	2 145	-	-	-	1 073	1 073	100.0%	2 145	
Social rental housing	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	
Other assets	-	217	-	-	-	109	109	100.0%	217	
General vehicles	-	57	-	-	-	29	29	100.0%	57	
Specialised vehicles	-	-	-	-	-	-	-	-	-	
Plant & equipment	-	-	-	-	-	-	-	-	-	
Computers - hardware/equipment	-	20	-	-	-	10	10	100.0%	20	
Furniture and other office equipment	-	25	-	-	-	13	13	100.0%	25	
Abattoirs	-	-	-	-	-	-	-	-	-	
Markets	-	-	-	-	-	-	-	-	-	
Civic Land and Buildings	-	-	-	-	-	-	-	-	-	
Other Buildings	-	100	-	-	-	50	50	100.0%	100	
Other Land	-	-	-	-	-	-	-	-	-	
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-	
Other	-	15	-	-	-	8	8	100.0%	15	
Total Depreciation	-	35 000	-	-	-	17 500	17 500	100.0%	35 000	

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 2016 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsosaledi Local Municipality (LIM 472)

Signature 

Date ... **Elias Motsosaledi**

Local Municipality

18 MAR 2016

Municipal Manager