

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

January 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	20 270	26 182	-	1 897	13 071	15 273	(2 202)	-14%	26 182	
Service charges	59 137	67 601	-	6 524	41 722	39 434	2 288	6%	67 601	
Investment revenue	3 250	4 600	-	289	1 968	2 683	(715)	-27%	4 600	
Transfers recognised - operational	170 641	216 652	-	199	162 119	126 380	35 738	28%	216 652	
Other own revenue	14 140	16 188	-	934	8 558	9 443	(885)	-9%	16 188	
Total Revenue excluding capital transfers	267 438	331 224	-	9 843	227 438	193 214	34 224	18%	331 224	
Employee costs	93 553	115 256	-	8 251	60 533	67 233	(6 699)	-10%	115 256	
Remuneration of Councilors	17 905	18 543	-	1 460	9 197	10 817	(1 620)	-15%	18 543	
Depreciation & asset impairment	-	35 000	-	-	-	20 417	(20 417)	-100%	35 000	
Finance charges	-	-	-	-	-	-	-	-	-	
Materials and bulk purchases	52 849	65 430	-	453	17 736	38 168	(20 432)	-54%	65 430	
Transfers and grants	1 885	3 300	-	-	362	1 925	(1 563)	-81%	3 300	
Other expenditure	90 951	102 901	-	1 984	67 153	60 025	7 127	12%	102 901	
Total Expenditure	257 143	340 430	-	12 148	154 981	198 584	(43 603)	-22%	340 430	
Surplus/(Deficit)	10 295	(9 206)	-	(2 305)	72 457	(5 370)	77 827	-1449%	(9 206)	
Transfers recognised - capital	49 441	63 102	-	8 271	36 718	36 810	(92)	-0%	63 102	
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	59 736	53 896	-	5 966	109 175	31 439	77 735	247%	53 896	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	59 736	53 896	-	5 966	109 175	31 439	77 735	247%	53 896	
Capital expenditure & funds sources										
Capital expenditure	65 787	99 981	-	9 096	50 390	58 322	(7 933)	-14%	99 981	
Capital transfers recognised	40 235	63 102	-	7 795	44 249	36 810	7 440	20%	63 102	
Public contributions & donations	-	-	-	-	-	-	-	-	-	
Borrowing	-	-	-	-	-	-	-	-	-	
Internally generated funds	9 430	36 879	-	1 301	6 140	21 513	(15 373)	-71%	36 879	
Total sources of capital funds	49 665	99 981	-	9 096	50 390	58 322	(7 933)	-14%	99 981	
Financial position										
Total current assets	107 592	66 715	-	-	121 766	-	-	-	66 715	
Total non current assets	846 048	886 793	-	-	859 900	-	-	-	886 793	
Total current liabilities	96 741	34 500	-	-	180 956	-	-	-	34 500	
Total non current liabilities	30 512	40 000	-	-	41 091	-	-	-	40 000	
Community wealth/Equity	826 387	879 008	-	-	759 520	-	-	-	879 008	
Cash flows										
Net cash from (used) operating	41 145	72 559	-	2 798	(19 759)	36 280	56 039	154%	72 559	
Net cash from (used) investing	(70 602)	(94 981)	-	(10 369)	(57 444)	(47 491)	9 954	-21%	(72 290)	
Net cash from (used) financing	2 361	500	-	(27)	924	250	(674)	-269%	500	
Cash/cash equivalents at the month/year end	24 567	(1 922)	-	-	62 812	9 039	(53 773)	-595%	139 861	
Debtors & creditors analysis										
Debtors Age Analysis	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	
Total By Income Source	9 497	3 858	2 742	2 702	1 902	2 087	3 316	26 250	52 354	
Creditors Age Analysis										
Total Creditors	-	-	-	-	-	-	-	-	-	

The above C1 Sum table summarizes the following activities:-

Revenue:

The actual revenue for the month of January 2016 is R237, 438 million and the year to date budget of R193, 214 million and this reflects a positive variance R34, 224 million. All major revenue item categories reflect a negative variance as presented below except transfer recognized operational, and service charges:

- Property rates: 14% unfavourable variance
- Service charges – electricity: 8% favourable variance
- Service charges – refuse removal: 20% unfavourable variance
- Rental of facilities : 74% unfavourable variance
- Interest on external investment: 27% unfavourable variance
- License and permit: 34% unfavourable variance

Operating Expenditure

The Operational expenditure for the month amounts to R12, 148 million caused by the journals passed during the month of January , the year to date actual is R154, 981 million and the year to date budget is R198, 584 million. This reflects an unfavourable variance of R43, 603 million (22%) 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 result, the expenditure is the actual spending that resulted in actual outflow of cash.

Capital Expenditure

The capital expenditure for the month of January amounts to R9, 096 million and the year to date budget amounts to R58, 332 million, giving rise to 14% 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 January.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month is R109, 175 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 January 2016 amounts to R53, 354 million and this is a decrease of R7, 296 million as compared to R60, 650 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 2015/16										
	2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast		
Revenue - Standard											
Governance and administration	199 224	250 105	-	2 759	180 834	145 895	34 939	24%	250 105		
Executive and council	894	930	-	-	675	543	132	24%	930		
Budget and treasury office	198 288	248 806	-	2 759	180 156	145 137	35 019	24%	248 806		
Corporate services	62	369	-	0	3	215	(212)	-99%	369		
Community and public safety	805	772	-	51	931	450	480	107%	772		
Community and social services	341	74	-	1	17	43	(26)	-59%	74		
Sport and recreation	20	63	-	-	1	37	(36)	-96%	63		
Public safety	443	635	-	49	912	370	541	146%	635		
Housing	-	-	-	-	-	-	-	-	-		
Health	-	-	-	-	-	-	-	-	-		
Economic and environmental services	55 853	64 347	-	7 823	36 771	37 536	(764)	-2%	64 347		
Planning and development	1 377	1 670	-	153	813	974	(161)	-17%	1 670		
Road transport	54 476	62 677	-	7 670	35 958	36 562	(604)	-2%	62 677		
Environmental protection	-	-	-	-	-	-	-	-	-		
Trading services	61 017	79 101	-	7 481	45 620	46 142	(522)	-1%	79 101		
Electricity	57 529	73 973	-	7 171	43 456	43 151	306	1%	73 973		
Water	-	-	-	-	-	-	-	-	-		
Waste water management	-	-	-	-	-	-	-	-	-		
Waste management	3 488	5 128	-	310	2 164	2 992	(828)	-28%	5 128		
Other	-	-	-	-	-	-	-	-	-		
Total Revenue - Standard	316 899	394 326	-	18 114	264 156	230 023	34 132	15%	394 326		
Expenditure - Standard											
Governance and administration	113 581	164 839	-	5 981	82 292	96 156	(13 864)	-14%	164 839		
Executive and council	41 290	46 223	-	3 390	27 628	26 963	665	2%	46 223		
Budget and treasury office	26 970	70 927	-	(724)	26 948	41 374	(14 426)	-35%	70 927		
Corporate services	45 322	47 689	-	3 315	27 716	27 818	(103)	0%	47 689		
Community and public safety	38 272	22 539	-	2 224	12 166	13 148	(982)	-7%	22 539		
Community and social services	17 315	9 004	-	622	5 139	5 252	(114)	-2%	9 004		
Sport and recreation	-	579	-	28	352	338	14	4%	579		
Public safety	20 957	12 956	-	1 573	6 674	7 558	(883)	-12%	12 956		
Housing	-	-	-	-	-	-	-	-	-		
Health	-	-	-	-	-	-	-	-	-		
Economic and environmental services	35 205	63 638	-	1 906	33 232	37 122	(3 890)	-10%	63 638		
Planning and development	12 500	14 507	-	975	4 748	8 462	(3 715)	-44%	14 507		
Road transport	22 706	49 131	-	932	28 484	28 660	(175)	-1%	49 131		
Environmental protection	-	-	-	-	-	-	-	-	-		
Trading services	70 084	89 414	-	2 037	27 292	52 158	(24 867)	-48%	89 414		
Electricity	58 240	72 315	-	516	16 776	42 184	(25 407)	-60%	72 315		
Water	-	-	-	-	-	-	-	-	-		
Waste water management	-	-	-	-	-	-	-	-	-		
Waste management	11 844	17 099	-	1 521	10 515	9 975	541	5%	17 099		
Other	-	-	-	-	-	-	-	-	-		
Total Expenditure - Standard	257 143	340 430	-	12 148	154 961	198 584	(43 603)	-22%	340 430		
Surplus/ (Deficit) for the year	59 756	53 896	-	5 966	109 175	31 439	77 735	247%	53 896		

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	894	930	-	-	-	675	543	132	24.4%	930
Vote 3 - Budget & Treasury	198 268	248 806	-	-	2 759	180 156	145 137	35 019	24.1%	248 806
Vote 4 - Corporate Services	62	369	-	-	0	3	215	(212)	-98.6%	369
Vote 5 - Community Services	9 539	12 248	-	-	616	5 543	7 145	(1 602)	-22.4%	12 248
Vote 6 - Technical Services	106 759	130 302	-	-	14 586	76 965	76 009	956	1.3%	130 302
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	1 377	1 670	-	-	153	813	974	(161)	-16.5%	1 670
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	316 899	394 326	-	-	18 114	264 156	230 023	34 132	14.8%	394 326
Expenditure by Vote										
Vote 1 - Executive & Council	26 977	27 732	-	-	2 348	17 378	16 177	1 201	7.4%	27 732
Vote 2 - Office of the Municipal Manager	14 313	20 660	-	-	1 042	10 250	12 052	(1 801)	-14.9%	20 660
Vote 3 - Budget & Treasury	26 970	70 927	-	-	(724)	26 948	41 374	(14 426)	-34.9%	70 927
Vote 4 - Corporate Services	45 322	28 962	-	-	934	13 006	16 895	(3 889)	-23.0%	28 962
Vote 5 - Community Services	54 007	46 798	-	-	4 131	25 630	27 299	(1 669)	-6.1%	46 798
Vote 6 - Technical Services	77 055	114 286	-	-	1 062	42 312	66 667	(24 355)	-36.5%	114 286
Vote 7 - Strategic Development	6 227	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	6 272	14 041	-	-	974	4 876	8 191	(3 314)	-40.5%	14 041
Vote 9 - Executive Support	-	17 023	-	-	2 381	14 581	9 930	4 651	46.8%	17 023
Total Expenditure by Vote	257 143	340 430	-	-	12 148	154 981	198 584	(43 603)	-22.0%	340 430
Surplus/ (Deficit) for the year	59 756	53 896	-	-	5 966	109 175	31 439	77 735	247.3%	53 896

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	20 270	26 182	-	1 897	13 071	15 273	(2 202)	-14%	26 182	
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	
Service charges - electricity revenue	54 299	62 973	-	6 214	39 559	36 734	2 824	8%	62 973	
Service charges - water revenue	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue	3 476	4 628	-	310	2 164	2 700	(536)	-20%	4 628	
Service charges - other	1 363	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	1 768	3 290	-	58	494	1 919	(1 426)	-74%	3 290	
Interest earned - external investments	3 250	4 600	-	289	1 968	2 683	(715)	-27%	4 600	
Interest earned - outstanding debtors	5 836	4 500	-	522	3 262	2 625	637	24%	4 500	
Dividends received	-	-	-	-	-	-	-	-	-	
Fines	445	635	-	49	909	370	539	146%	635	
Licences and permits	5 247	6 348	-	255	2 449	3 703	(1 254)	-34%	6 348	
Agency services	-	-	-	-	-	-	-	-	-	
Transfers recognised - operational	1 70 641	216 652	-	199	162 119	126 380	35 738	28%	216 652	
Other revenue	844	1 415	-	49	1 445	826	619	75%	1 415	
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	
Total Revenue excluding capital transfers	267 438	331 224	-	9 843	227 438	193 214	34 224	18%	331 224	
Expenditure By Type										
Employee related costs	93 553	115 256	-	8 251	60 533	67 233	(6 699)	-10%	115 256	
Remuneration of councillors	17 905	18 543	-	1 460	9 197	10 817	(1 620)	-15%	18 543	
Debt impairment	-	11 000	-	-	-	6 417	(6 417)	-100%	11 000	
Depreciation & asset impairment	-	35 000	-	-	-	20 417	(20 417)	-100%	35 000	
Finance charges	-	-	-	-	-	-	-	-	-	
Bulk purchases	51 162	60 000	-	98	14 118	35 000	(20 882)	-60%	60 000	
Other materials	1 687	5 430	-	355	3 617	3 168	449	14%	5 430	
Contracted services	11 357	21 950	-	(185)	17 218	12 804	4 414	34%	21 950	
Transfers and grants	1 885	3 300	-	-	362	1 925	(1 563)	-81%	3 300	
Other expenditure	79 594	69 551	-	2 169	49 935	40 571	9 364	23%	69 551	
Loss on disposal of PPE	-	400	-	-	-	233	(233)	-100%	400	
Total Expenditure	257 143	340 430	-	12 148	154 981	198 584	(43 603)	-22%	340 430	
Surplus/(Deficit)	10 295	(9 206)	-	(2 305)	72 457	(5 370)	77 827	(0)	(9 206)	
Transfers recognised - capital	49 441	63 102	-	8 271	36 718	36 810	(92)	(0)	63 102	
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	
Contributed assets	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & taxation	59 736	53 896	-	5 966	109 175	31 439	-	-	53 896	
Attributable to minorities	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality	59 736	53 896	-	5 966	109 175	31 439	-	-	53 896	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	59 736	53 896	-	5 966	109 175	31 439	-	-	53 896	

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, electricity revenue, rental, interest on investments and Licenses and Permit. In the case of expenditure, all year to date actuals reflect an under spending variance except contracted services (34%), bulk purchase (60%), other material (14%) and other expenditure (23% 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

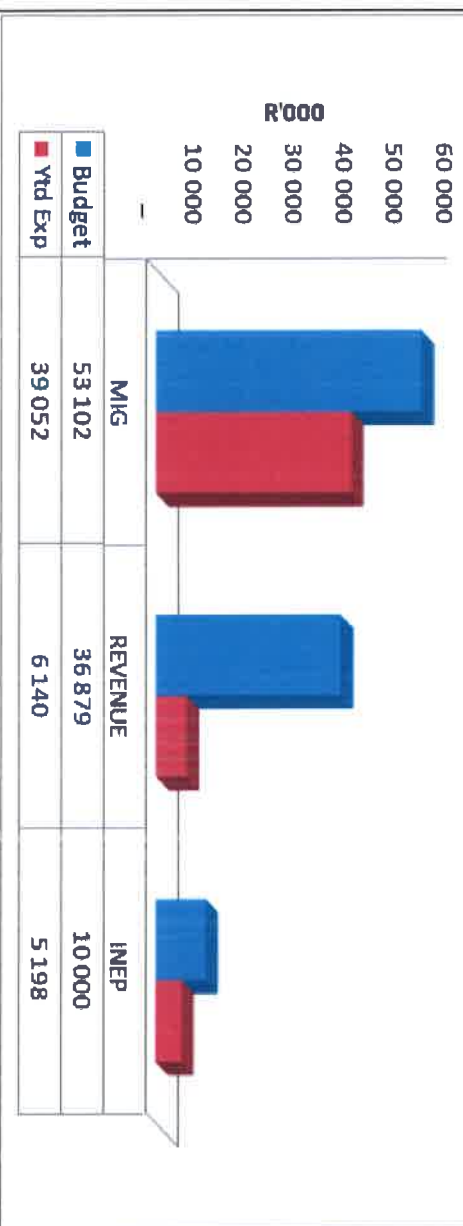
Vote Description	Budget Year 2015/16									
	2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast	
Multi-Year expenditure appropriation										
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-	
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-	
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-	
Vote 4 - Corporate Services	1 239	1 100	-	33	454	642	(187)	-29%	1 100	
Vote 5 - Community Services	214	4 200	-	688	2 757	2 450	307	13%	4 200	
Vote 6 - Technical Services	36 382	56 735	-	6 027	31 084	33 096	(2 012)	-6%	56 735	
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-	
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-	
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-	
Total Capital Multi-year expenditure	37 835	62 035	-	6 748	34 295	36 187	(1 893)	-5%	62 035	
Single Year expenditure appropriation										
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-	
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-	
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-	
Vote 4 - Corporate Services	1 290	-	-	-	-	-	-	-	-	
Vote 5 - Community Services	-	2 300	-	-	-	1 342	(1 342)	-100%	2 300	
Vote 6 - Technical Services	25 653	35 646	-	2 348	16 095	20 794	(4 698)	-23%	35 646	
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-	
Vote 8 - Developmental Planning	1 009	-	-	-	-	-	-	-	-	
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-	
Total Capital single-year expenditure	27 953	37 946	-	2 348	16 095	22 135	(6 040)	-27%	37 946	
Total Capital Expenditure	65 787	99 981	-	9 096	50 390	58 322	(7 933)	-14%	99 981	

Table C5C: Monthly Capital Expenditure by Vote

Vote 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 variance	
Capital Expenditure - Standard Classification									
Governance and administration	2 057	1 100	-	33	454	642	(187)	-29%	1 100
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	75	-	-	-	-	-	-	-	-
Corporate services	1 982	1 100	-	33	454	642	(187)	-29%	1 100
Community and public safety	-	6 500	-	688	2 757	3 792	(1 035)	-27%	6 500
Community and social services	-	6 500	-	688	2 757	3 792	(1 035)	-27%	6 500
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	38 257	79 381	-	7 327	40 826	46 306	(5 480)	-12%	79 381
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	38 257	79 381	-	7 327	40 826	46 306	(5 480)	-12%	79 381
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	9 350	13 000	-	1 048	6 353	7 583	(1 230)	-16%	13 000
Electricity	9 350	13 000	-	1 048	6 353	7 583	(1 230)	-16%	13 000
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	49 665	99 981	-	9 096	50 390	58 322	(7 933)	-14%	99 981
Funded by:									
National Government	40 235	53 102	-	6 956	39 052	30 976	8 076	26%	53 102
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	10 000	-	839	5 198	5 833	(636)	-11%	10 000
Transfers recognised - capital	40 235	63 102	-	7 795	44 249	36 810	7 440	20%	63 102
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	9 430	36 879	-	1 301	6 140	21 513	(15 373)	-71%	36 879
Total Capital Funding	49 665	99 981	-	9 096	50 390	58 322	(7 933)	-14%	99 981

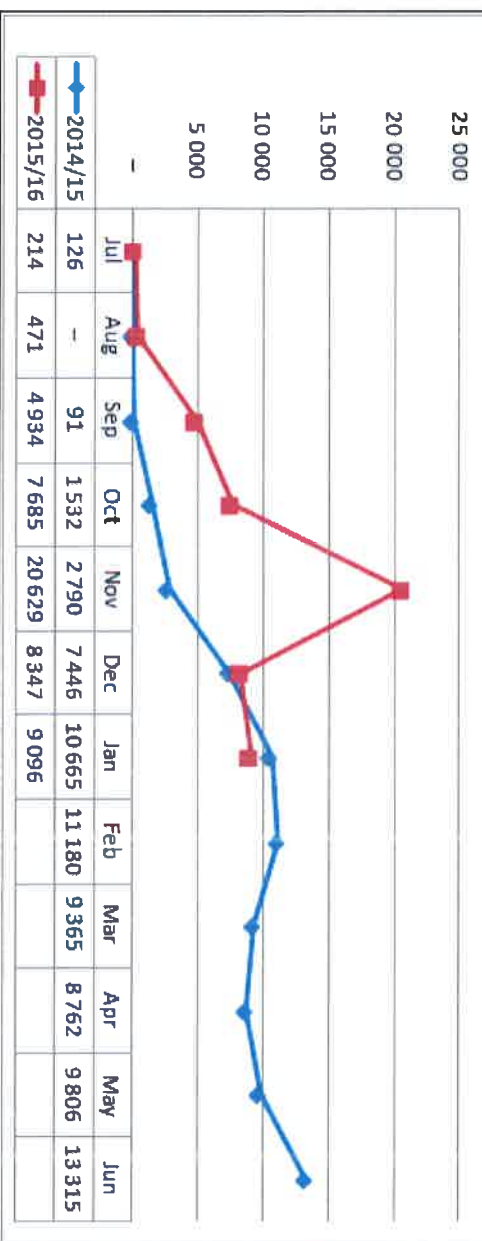
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and funding. For the month of January 2016, R9, 096 million spending was incurred and the year to date budget amounts to R58, 332 million which shows an unfavourable spending variance of R7, 933 million (14%).

CAPEX - SOF



The above graph shows the components of finance for capital budget. Of the total capital budget of R99, 981 million, R53, 102 million is funded from Municipal Infrastructure grant, R10 million from INEP and R36, 879 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.

Table C6: Monthly Budget Statement Financial Position

Description	2014/15		Budget Year 2015/16			
	Audited Outcome	Original Budget	Adjusted Budget	Year-TD actual	Full Year Forecast	
ASSETS						
Current assets						
Cash	823	10 631	-	17 510	10 631	
Call investment deposits	23 745	15 000	-	45 302	15 000	
Consumer debtors	23 009	24 184	-	36 377	24 184	
Other debtors	57 380	14 400	-	15 977	14 400	
Current portion of long-term receivables	-	-	-	-	-	
Inventory	2 636	2 500	-	6 599	2 500	
Total current assets	107 592	66 715	-	121 766	66 715	
Non current assets						
Long-term receivables	-	-	-	-	-	
Investments	-	-	-	-	-	
Investment property	85 382	90 000	-	140 618	90 000	
Investments in Associate	-	-	-	-	-	
Property, plant and equipment	760 666	796 793	-	719 282	796 793	
Agricultural	-	-	-	-	-	
Biological assets	-	-	-	-	-	
Intangible assets	-	-	-	-	-	
Other non-current assets	-	-	-	-	-	
Total non current assets	846 048	886 793	-	859 900	886 793	
TOTAL ASSETS	953 641	953 508	-	981 666	953 508	
LIABILITIES						
Current liabilities						
Bank overdraft	-	-	-	-	-	
Borrowing	-	-	-	-	-	
Consumer deposits	5 531	5 500	-	5 078	5 500	
Trade and other payables	91 210	29 000	-	175 878	29 000	
Provisions	-	-	-	-	-	
Total current liabilities	96 741	34 500	-	180 956	34 500	
Non current liabilities						
Borrowing	-	-	-	-	-	
Provisions	30 512	40 000	-	41 091	40 000	
Total non current liabilities	30 512	40 000	-	41 091	40 000	
TOTAL LIABILITIES	127 254	74 500	-	222 047	74 500	
NET ASSETS	826 387	879 008	-	759 620	879 008	
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)	826 387	879 008	-	759 620	879 008	
Reserves	-	-	-	-	-	
TOTAL COMMUNITY WEALTH/EQUITY	826 387	879 008	-	759 620	879 008	

The above table shows that community wealth amounts to R759, 620 million, total liabilities R222, 047 million and the total assets R981, 666 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	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	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other	70 625	107 021	-	6 136	47 863	53 511	(5 847)	-11%	107 021	
Government - operating	170 756	170 641	-	199	162 119	85 321	76 798	90%	170 641	
Government - capital	52 968	50 840	-	8 271	36 718	25 420	11 298	44%	50 840	
Interest	3 939	8 105	-	340	2 019	4 053	(2 033)	-50%	8 105	
Dividends	-	-	-	-	-	-	-	-	-	
Payments										
Suppliers and employees	(255 258)	(254 448)	-	(12 148)	(268 116)	(127 224)	140 892	-111%	(254 448)	
Finance charges	-	-	-	-	-	-	-	-	-	
Transfers and Grants	(1 985)	(9 600)	-	-	(362)	(4 800)	(4 438)	92%	(9 600)	
NET CASH FROM/(USED) OPERATING ACTIVITIES	41 145	72 559	-	2 798	(19 759)	36 280	56 039	154%	72 559	
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	500	5 000	-	-	-	2 500	(2 500)	-100%	5 000	
Decrease (in/increase) in non-current debtors	-	-	-	-	-	-	-	-	-	
Decrease (in/increase) other non-current receivables	-	-	-	-	-	-	-	-	-	
Decrease (in/increase) in non-current investments	-	-	-	-	-	-	-	-	-	
Payments										
Capital assets	(71 102)	(99 981)	-	(10 369)	(57 444)	(49 991)	7 454	-15%	(77 290)	
NET CASH FROM/(USED) INVESTING ACTIVITIES	(70 602)	(94 981)	-	(10 369)	(57 444)	(47 491)	9 954	-21%	(72 290)	
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans	-	-	-	-	-	-	-	-	-	
Borrowing long term/financing	-	-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits	2 361	500	-	(27)	924	250	674	269%	500	
Payments										
Repayment of borrowing	-	-	-	-	-	-	-	-	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES	2 361	500	-	(27)	924	250	(674)	-269%	500	
NET INCREASE/ (DECREASE) IN CASH HELD	(27 096)	(21 922)	-	(7 599)	(76 280)	(10 961)			769	
Cash/cash equivalents at beginning:	51 663	20 000	-	-	139 092	20 000	-	-	139 092	
Cash/cash equivalents at month/year end:	24 567	(1 922)	-	-	62 812	9 039	-	-	139 861	

Table C7 presents details pertaining to cash flow performance. For the month of January 2016, the net cash inflow from operating activities is R19, 759 million whilst net cash outflow from investing activities is R57, 444 million that is mainly comprised of capital expenditure movement; and the net cash inflow from financing activities is R924 thousand. The cash and cash equivalent held at the end of January 2016 amounted to R62, 812 million that is made up of cash amounting R17, 510 million and short term investments of R45, 032 million as presented in Table A6 under current assets.

PART 2: SUPPORTING TABLES

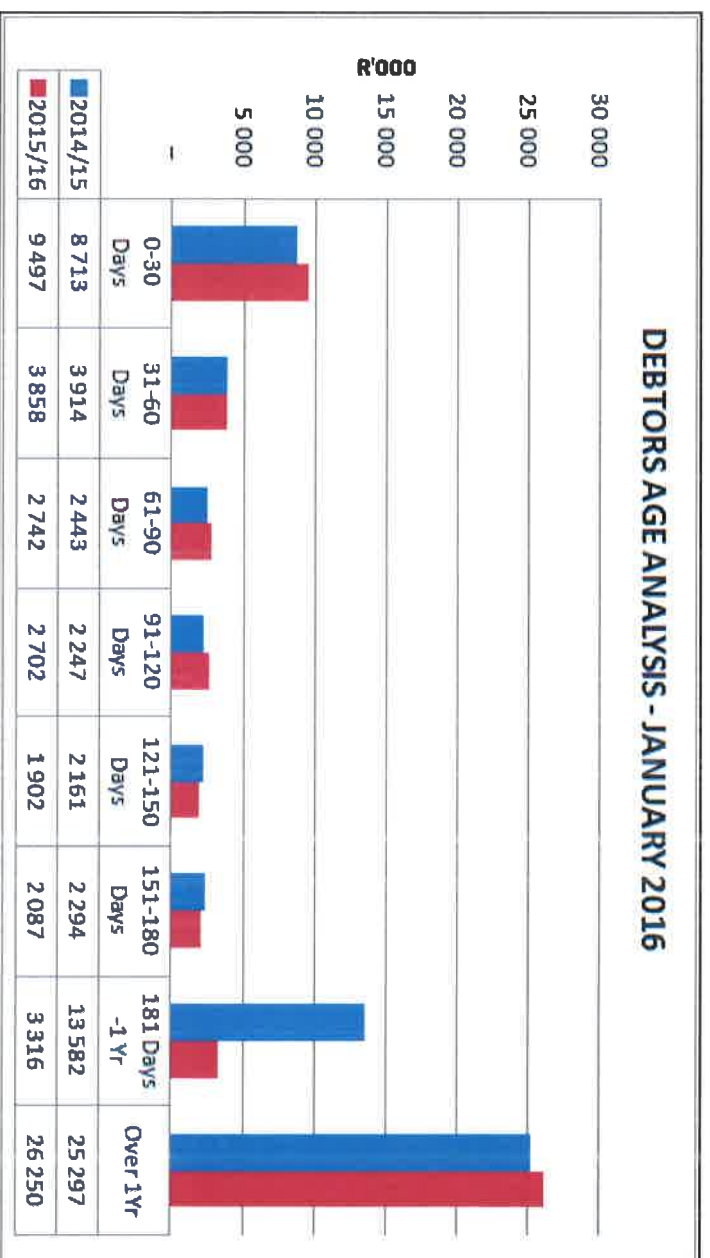
Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2015/16								Total
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Year	Over 1Year	
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	5 941	1 810	1 086	629	493	560	(2 792)	1 329	9 055
Receivables from Non-exchange Transactions - Property Rates	1 909	1 009	813	759	700	654	3 026	15 581	24 450
Receivables from Exchange Transactions - Waste Water Management	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	309	139	74	52	39	36	150	1 099	1 899
Receivables from Exchange Transactions - Property Rental Debtors	60	25	12	18	5	11	112	732	973
Interest on Arrear Debtor Accounts	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	1 278	875	757	1 245	665	826	2 822	7 509	15 977
Total By Income Source	9 497	3 858	2 742	2 702	1 902	2 087	3 316	26 250	52 354
2014/15 - totals only	8 713	3 914	2 443	2 247	2 161	2 294	13 582	25 297	60 650
Debtors Age Analysis By Customer Group									
Organs of State	1 083	657	759	599	586	623	995	1 465	6 767
Commercial	4 383	1 339	599	808	342	469	(742)	6 067	13 264
Households	2 857	1 225	782	535	467	477	2 453	10 533	19 329
Other	1 174	637	602	759	508	518	611	8 185	12 995
Total By Customer Group	9 497	3 858	2 742	2 702	1 902	2 087	3 316	26 250	52 354

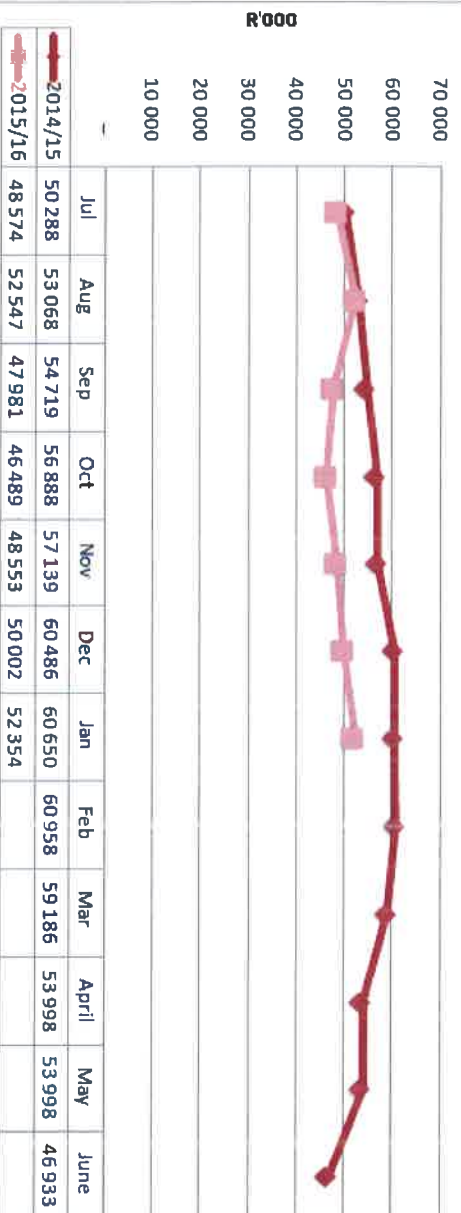
Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of January amount to R53, 354 million. The debtors' book is made up as follows:

- Rates 46,70%
- Electricity 17,24%
- Rental 1,86%
- Refuse removal 3,63%
- Other - 30,52%

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 January 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 Over
9900067	WATER PURIFICAT	00 000000100	0000	0000	GROBLERSDAL	GOVERNMENT	OCCUPIER	3,215,774.91	Y
9012345	BREED J & OOSTH	90 000000026	0000R6	0000	GROBLERSDAL	BUSINESS	OCCUPIER	592,778.42	N
207447	CHOPPIES GROBLE	02 0000000971	00000	0000	GROBLERSDAL	BUSINESS	OCCUPIER	338,472.88	N
2913	SHOPRITE/CHECKE	00 000000100	00001	0000	GROBLERSDAL	MUNICIPAL	OCCUPIER	283,933.23	Y
201885	SHOPRITE CHECKE	02 0000000984	00000	0000	GROBLERSDAL	BUSINESS	OCCUPIER	275,577.22	N
214913	MEAT SPOT	02 0000000251	00007	0000	GROBLERSDAL	BUSINESS	OCCUPIER	243,643.58	N
9000000	REPUBLIC VAN S	90 0000000012	00000	0000	FARMS JS	AGRICULTURE	OWNER	240,688.16	Y
6000908	DEPARTMENT OF E	60 0000000822	00000	0000	MOTTEWMA A	RESIDENTIAL	OWNER	218,975.34	Y
9001077	ROYAL SQUARE IN	90 0000000177	00000	0000	FARMS JS	AGRICULTURE	OWNER	214,999.90	Y
9001035	NDEBELE MAHLANG	90 0000000129	00000	0000	FARMS JS	AGRICULTURE	OWNER	199,013.61	Y
506535	BUMAZI PROPERTI	05 0000000489	00003	0000	GROBLERSDAL	BUSINESS	OCCUPIER	186,676.70	N
9000804	NATIONAL GOVERN	90 0000000056	00002	0000	FARMS JS	AGRICULTURE	OWNER	183,399.22	Y
20494	BREKAWAY TRUST	00 0000000098	0000001	0000	GROBLERSDAL	BUSINESS	OWNER	182,333.63	Y
37850	WORLD WATCH TRA	00 0000000098	0000004	0010	GROBLERSDAL	BUSINESS	OCCUPIER	172,671.25	Y
9001052	NDEBELE STAM	90 0000000153	00000	0000	FARMS JS	AGRICULTURE	OWNER	172,024.59	Y
26610	LUVON INVESTME	00 0000000765	00000	0000	GROBLERSDAL	BUSINESS	OWNER	168,160.94	N
9000628	LANDBOUNAVORSIN	90 0000000053	00111	0000	FARMS JS	AGRICULTURE	OWNER	167,738.32	Y
9001039	NDEBELE MAHLANG	90 0000000133	00000	0000	FARMS JS	AGRICULTURE	OWNER	164,701.41	Y
506486	BUMAZI PROPERTI	05 0000000489	0000	0000	GROBLERSDAL	MUNICIPAL	OWNER	162,056.11	N
9001055	NDEBELE STAM	90 0000000157	00000	0000	FARMS JS	AGRICULTURE	OWNER	160,302.46	Y
TOTAL								7 543 921.88	

Supporting Table: SC 4 - Creditors Age Analysis

Description	NT Code	Budget Year 2015/16							Total	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		
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
512	PATRICK MAKGOKA CONSTRUCTION	2 567 270
41048	IMBAWULA TRADING ENTERPRISE CC	1 122 468
41050	CASNAN CIVILS	886 166
429	NI NKOSANA BUSINESS ENTERPRISE	880 308
37678	SHATADI DEVELOPERS	773 460
40058	SERVIMODE 62CC	722 802
40068	NDLUNKHULU ENGINEERING	582 246
464	MOLELEKI A TLALA TRANSPORT AND	573 962
41045	MASEKWAMENG TRADERS CC	570 477
7989	MUNSOFT (PTY) LTD	495 693
40065	XIHLALA TRADING	388 374
32409	MAKGONATSOHLE TRADING ENTERPRI	317 542
41079	SHIRDO TRADING	284 305
37711	BAUPA TRADING ENTERPRISE	269 200
777	VISION PRINT GRAPHICS & DESIGN	262 200
4001	MOKWENA MOTORS T/A NONYANE MOT	252 900
41009	TSHASHU CONSULTING AND PROJECT	236 591
41006	STANFORD M ELECTRICAL CC	212 151
41037	SML PROJECTS PTY LTD	137 956
37617	DITHEBELE LE MMAKOBO TRAVEL	117 478
TOTAL		11 653 548

The above table presents the top twenty creditors paid during the month of January 2016 and an amount of R11, 654 million was paid during the month under review.

Supporting Table: SC 5 - Investment Portfolio

Investments by maturity	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month ¹ (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality								
Sarlam	1 Month	Short term	31-Jan-2016	1	0.32%	337	-	338
Absa - MIG	1 Months	Short term	31-Jan-2016	167	0.49%	34 027	-	34 194
Absa Call Account	1 Month	Short term	31-Jan-2016	53	0.49%	10 718	-	10 770
TOTAL INVESTMENTS AND INTEREST				221		45 081	-	45 302

Supporting table SC5 presents all investments that indicate that the total amount of R45, 302 million has been invested as at end of January 2016. The opening balance was R45, 081 million, accrued interest for the month amounted to R221 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

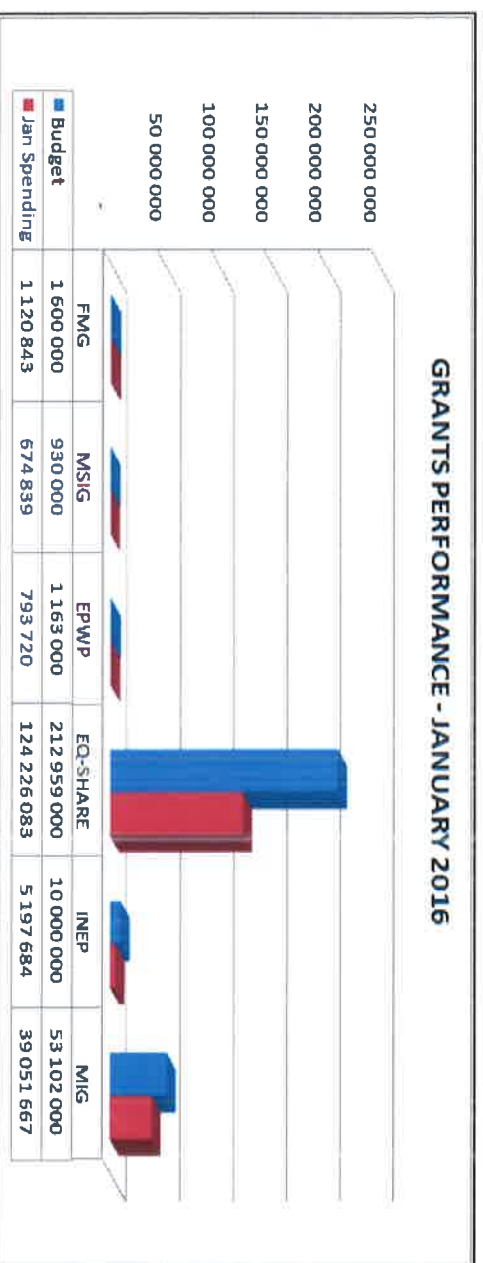
Description	Budget Year 2015/16									
	2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast	
RECEIPTS:										
Operating Transfers and Grants										
National Government:	170 641	216 652	-	-	163 063	163 063	-		216 652	
Local Government Equitable Share	166 920	212 959	-	-	159 719	159 719	-		212 959	
Finance Management	1 600	1 600	-	-	1 600	1 600	-		1 600	
Municipal Systems Improvement	934	930	-	-	930	930	-		930	
EPWP Incentive	1 187	1 163	-	-	814	814	-		1 163	
Other transfers and grants [insert description]										
Total Operating Transfers and Grants	170 641	216 652	-	-	163 063	163 063	-		216 652	
Capital Transfers and Grants										
National Government:	65 840	63 102	-	3 000	41 554	38 554	3 000	7.8%	63 102	
Municipal Infrastructure Grant (MIG)	65 840	53 102	-	-	33 654	33 654	-		53 102	
Integrated National Electrification Grant		10 000	-	3 000	7 900	4 900	3 000	61.2%	10 000	
Total Capital Transfers and Grants	65 840	63 102	-	3 000	41 554	38 554	3 000	7.8%	63 102	
TOTAL RECEIPTS OF TRANSFERS & GRANTS	236 481	279 754	-	3 000	204 617	201 617	3 000	1.5%	279 754	

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R204, 617 million of which the major portion is attributed to equitable share (i.e. R157, 719 million) received. The total amount of R 3000 million has been received during the month of January from INEP. Other grants include amongst others, FMG, MSIG and EPWP.

Supporting Table: SC 7 Transfers and grants - 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	
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:	170 635	216 652	-	17 945	126 815	126 380	435	0.3%	216 652	
Local Government Equitable Share	166 920	212 959	-	17 747	124 226	124 226	-	-	212 959	
Finance Management	1 600	1 600	-	46	1 121	933	188	20.1%	1 600	
Municipal Systems Improvement	934	930	-	-	675	543	132	24.4%	930	
EPWP Incentive	1 181	1 163	-	152	794	678	115	17.0%	1 163	
Other transfers and grants [insert description]										
Total operating expenditure of Transfers and Grants:	170 635	216 652	-	17 945	126 815	126 380	435	0.3%	216 652	
Capital expenditure of Transfers and Grants										
National Government:	42 434	63 102	-	7 795	44 249	36 810	7 440	20.2%	63 102	
Municipal Infrastructure Grant (MIG)	42 434	53 102	-	6 956	39 052	30 976	8 076	26.1%	53 102	
Integrated National Electrification Grant	-	10 000	-	839	5 198	5 833	(636)	-10.9%	10 000	
Total capital expenditure of Transfers and Grants	42 434	63 102	-	7 795	44 249	36 810	7 440	20.2%	63 102	
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	213 068	279 754	-	25 741	171 065	163 190	7 875	4.8%	279 754	

An amount of R25, 741 million has been spent on grants during the month of January 2016 and the year to date budget amounts to R163, 190 million and this results in under spending variance of R7, 875 (4,8%). Of the total spending R17, 945 million is spent from operational grant whilst R7, 795 million is spent from capital grant (MIG) and (INEP).



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

- Financial Management Grant 70,05%
- Municipal Systems Improvement Grant 72,56%
- Expanded Public Work Programme 68,25%
- Equitable Share 58,33%
- Municipal Infrastructure Grant 73,54%
- Integrated National Electrification Grant 51,98%

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councilor remuneration	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
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	12 196	3 548	-	1 027	5 634	2 089	3 565	172%	3 548
Pension and UIF Contributions	1 047	1 408	-	84	513	821	(309)	-38%	1 408
Medical Aid Contributions	252	408	-	29	160	238	(78)	-33%	408
Motor Vehicle Allowance	4 030	4 075	-	320	1 942	2 377	(435)	-18%	4 075
Cellphone Allowance	-	1 554	-	-	948	907	42	5%	1 554
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	381	7 550	-	-	-	4 404	(4 404)	-100%	7 550
Sub Total - Councillors	17 905	18 543	-	1 460	9 197	10 817	(1 620)	-15%	18 543
Senior Managers of the Municipality									
Basic Salaries and Wages	3 106	4 831	-	563	2 654	2 818	(164)	-6%	4 831
Pension and UIF Contributions	209	503	-	51	198	293	(95)	-32%	503
Medical Aid Contributions	-	175	-	7	31	102	(71)	-89%	175
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	566	840	-	74	437	490	(53)	-11%	840
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	54	596	-	3	270	347	(77)	-22%	596
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	3 936	6 944	-	697	3 591	4 051	(460)	-11%	6 944
Other Municipal Staff									
Basic Salaries and Wages	58 199	73 424	-	5 619	36 905	42 831	(5 926)	-14%	73 424
Pension and UIF Contributions	11 194	14 613	-	1 022	6 986	8 524	(1 538)	-18%	14 613
Medical Aid Contributions	2 949	4 616	-	198	1 997	2 693	(695)	-26%	4 616
Overtime	1 473	1 380	-	402	1 440	805	635	79%	1 380
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	4 994	5 632	-	(316)	2 981	3 285	(304)	-9%	5 632
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	95	157	-	12	75	92	(16)	-18%	157
Other benefits and allowances	9 713	7 864	-	73	5 445	4 587	857	19%	7 864
Payments in lieu of leave	1 001	530	-	94	281	309	(28)	-9%	530
Long service awards	-	95	-	234	517	55	461	832%	95
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	89 617	108 312	-	7 339	56 627	63 182	(6 555)	-10%	108 312
Total Parent Municipality	111 458	133 799	-	9 496	69 415	78 050	(8 634)	-11%	133 799
TOTAL SALARY, ALLOWANCES & BENEFITS	111 458	133 799	-	9 496	69 415	78 050	(8 634)	-11%	133 799
TOTAL MANAGERS AND STAFF	93 553	115 256	-	8 036	60 218	67 233	(7 015)	-10%	115 256

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for January 2016 amounts to R9, 496 million (Year to date R 69, 415 million) and the expenditure for remuneration of councilors amounts to R 1, 460 million (Year to date R9, 197).

Description	Budget Year 2016/16												2015/16 Medium Term Revenue		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year	Budget Year +1	Budget Year +2
Cash Receipts By Source															
Property rates	3 411	1 062	1 454	1 505	1 350	1 097	1 214	--	--	--	--	13 256	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	--	--	--	--	22 243	58 565	62 167	65 803
Service charges - water revenue	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Service charges - sanitation revenue	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Service charges - refuse	248	239	277	283	263	239	268	--	--	--	--	2 487	4 304	4 569	4 836
Service charges - other	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Rental of facilities and equipment	90	66	53	51	71	68	63	--	--	--	--	2 828	3 290	3 493	3 697
Interest earned - external investments	87	498	281	60	384	329	289	--	--	--	--	2 672	4 600	4 883	5 169
Interest earned - outstanding debtors	73	64	102	93	103	52	99	--	--	--	--	(586)	--	--	--
Dividends received	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Fines	--	--	57	621	51	45	49	--	--	--	--	(506)	318	335	353
Licences and permits	1 149	455	447	400	465	326	255	--	--	--	--	2 321	5 819	6 177	6 538
Agency services	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Transfer receipts - operating	88 520	554	368	706	71 296	476	199	--	--	--	--	54 533	216 652	233 223	229 161
Other revenue	31 085	124	51	43	16 499	19	49	--	--	--	--	(46 774)	1 096	1 515	1 595
Cash Receipts by Source	130 480	6 702	11 672	8 765	94 677	7 144	7 078	--	--	--	--	62 476	318 994	342 207	344 510
Other Cash Flows by Source															
Transfer receipts - capital	--	656	5 712	7 198	6 234	8 314	8 271	--	--	--	--	26 716	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)	--	--	--	--	(284)	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	--	--	--	--	48 768	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	--	--	--	--	47 381	115 256	122 344	129 501
Remuneration of councillors	2 716	1 461	1 538	1 514	157	1 516	1 460	--	--	--	--	8 182	18 543	19 563	20 600
Interest paid	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Bulk purchases - Electricity	58	12 919	5 452	56	4 460	9 340	98	--	--	--	--	41 734	60 000	63 300	66 655
Bulk purchases - Water & Sewer	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Other materials	323	877	577	589	520	703	355	--	--	--	--	1 486	5 430	5 764	6 101
Contracted services	--	18 445	(1 525)	3 153	--	2 574	(185)	--	--	--	--	(511)	21 950	23 300	24 389
Grants and subsidies paid - other municipalities	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Grants and subsidies paid - other	--	--	176	--	88	98	--	--	--	--	--	2 938	3 300	3 503	3 708
General expenses	6 068	33 199	1 592	21 859	8 395	12 527	18 969	--	--	--	--	(54 073)	62 654	62 393	59 190
Cash Payments by Type	24 208	74 294	16 242	34 976	21 674	39 656	28 948	--	--	--	--	47 136	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	--	--	--	--	44 395	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	39 317	--	--	--	--	91 531	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)	--	--	--	--	(42 764)	(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	62 812	62 812	62 812	62 812	24 567	20 049	28 588
Cash/cash equivalents at the month/year end:	131 520	94 258	89 637	61 879	120 504	86 808	62 812	62 812	62 812	62 812	62 812	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 15, 322 million and the total cash payment for the month were R28, 948 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	Budget Year 2015/16											
	2014/15		Original Budget		Adjusted Budget		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
Monthly expenditure performance trend												
July	126	4 584	-	214	214	4 584	4 370	95.3%	0.21%			
August	-	6 184	-	471	844	10 768	9 924	92.2%	0.84%			
September	91	7 005	-	4 934	4 934	17 773	12 839	72.2%	4.94%			
October	1 532	8 840	-	7 685	7 685	26 613	18 928	71.1%	7.69%			
November	2 790	11 250	-	20 182	20 182	37 863	17 681	46.7%	20.19%			
December	7 446	11 280	-	8 347	8 347	49 123	40 776	83.0%	8.35%			
January	10 665	8 500	-	8 556	8 556	57 623	49 068	85.2%	8.56%			
February	11 180	12 291	-	-	-	69 914	-	-	-			
March	9 365	9 710	-	-	-	79 624	-	-	-			
April	8 762	7 165	-	-	-	86 789	-	-	-			
May	8 514	6 842	-	-	-	93 631	-	-	-			
June	5 315	6 350	-	-	-	99 981	-	-	-			
Total Capital expenditure	65 787	99 981	-	50 390								

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of January amounts to R8, 556 million. The capital budget spending is way below the projected spending for January 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 R57, 623 million and only R50, 390 million has actually been spent. This reflects under spending variance of 85,2%.

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 by Asset Class									
Infrastructure	44 586	57 102	-	6 671	38 975	33 310	(5 665)	-17.0%	57 102
Roads, Pavements & Bridges	38 541	40 602	-	5 623	31 655	23 685	(7 970)	-33.7%	40 602
Storm water	597	5 000	-	-	967	2 917	1 950	66.8%	5 000
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	3 151	10 000	-	839	5 198	5 833	636	10.9%	10 000
Street Lighting	2 297	1 500	-	209	1 155	875	(280)	-32.0%	1 500
Community	2 498	-	-	-	-	-	-	-	-
Parks & gardens	159	-	-	-	-	-	-	-	-
Cemeteries	2 339	-	-	-	-	-	-	-	-
Other assets	1 065	-	-	-	-	-	-	-	-
Other	1 065	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	48 148	57 102	-	6 671	38 975	33 310	(5 665)	-17.0%	57 102

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

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 on renewal of existing assets										
Infrastructure	10 595	30 779	-	1 704	8 202	17 955	9 752	54.3%	30 779	
Roads, Pavements & Bridges	6 532	26 779	-	1 704	8 202	15 621	7 419	47.5%	26 779	
Storm water	-	-	-	-	-	-	-	-	-	
Generation	-	-	-	-	-	-	-	-	-	
Transmission & Retulation	3 565	1 500	-	-	875	875	875	100.0%	1 500	
Street Lighting	-	-	-	-	-	-	-	-	-	
Infrastructure - Other	499	2 500	-	-	-	1 458	1 458	100.0%	2 500	
Waste Management	499	2 500	-	-	-	1 458	1 458	100.0%	2 500	
Other assets	7 044	12 100	-	721	3 213	7 058	3 846	54.5%	12 100	
General vehicles	-	-	-	-	-	-	-	-	-	
Specialised vehicles	-	-	-	-	-	-	-	-	-	
Plant & equipment	-	-	-	-	-	-	-	-	-	
Computers - hardware/equipment	469	500	-	33	-	292	292	100.0%	500	
Furniture and other office equipment	282	500	-	-	54	292	237	81.4%	500	
Abattoirs	-	-	-	-	-	-	-	-	-	
Markets	-	-	-	-	-	-	-	-	-	
Civic Land and Buildings	2 588	1 000	-	-	21	583	562	96.4%	1 000	
Other Buildings	1 841	10 000	-	688	2 737	5 833	3 096	53.1%	10 000	
Other Land	1 009	-	-	-	-	-	-	-	-	
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-	
Other	855	100	-	-	400	58	(342)	-585.7%	100	
Total Capital Expenditure on renewal of existing assets	17 639	42 879	-	2 425	11 415	25 013	13 598	54.4%	42 879	

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

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
Repairs and maintenance expenditure									
Infrastructure	3 506	4 500	-	(1 249)	2 142	2 625	483	18,4%	4 500
Roads, Pavements & Bridges	881	3 000	-	(1 249)	2 139	1 750	(389)	-22,2%	3 000
Storm water	244	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Retiulation	1 271	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Waste Management	1 110	1 500	-	-	3	875	872	99,7%	1 500
Other assets	7 481	7 200	-	14	2 166	4 200	2 034	48,4%	7 200
General vehicles	3 931	2 000	-	22	636	1 167	531	45,5%	2 000
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	586	3 000	-	-	470	1 750	1 280	73,2%	3 000
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	1 498	2 000	-	(250)	827	1 167	339	29,1%	2 000
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	1 466	200	-	241	234	117	(117)	-100,3%	200
Intangibles	-	120	-	-	5	70	65	93,5%	120
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	120	-	-	5	70	65	93,5%	120
Total Repairs and Maintenance Expenditure	10 988	11 820	-	(1 235)	4 313	6 895	2 582	37,5%	11 820

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 R6, 671 million and the year to date budget is R38, 975 million which reflects 17% less expenditure on new assets. The spending on renewal of existing assets for January amounts R2, 425 million and the year to date actual is R11, 415 million with the year to date budget reflecting an amount of R25, 013 million and this reflects 37,5% under spending variance.

The actual expenditure for the month of January 2016 on repairs and maintenance is R 4,313 million and the year to date budget is R6, 895 million, reflecting under spending variance of 37, 5%.

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	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 & Retribution	-	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	-	35 600	-	-	-	17 500	17 500	100.0%	35 600	

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 January 2016 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  **Elias Motsaledi**
Local Municipality

Date **12 FEB 2016**


Municipal Manager