

# **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**



## **MONTHLY BUDGET STATEMENT REPORT**

**JANUARY 2019**

## **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	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Financial Performance</b>									
Property rates	34,805	36,650	-	2,607	18,228	20,652	(2,425)	-12%	36,650
Service charges	92,822	101,546	-	8,104	51,977	56,551	(4,573)	-8%	101,546
Investment revenue	2,500	3,000	-	208	1,160	1,658	(498)	-30%	3,000
Transfers and subsidies	226,163	245,278	-	252	179,914	147,684	32,230	22%	245,278
Other own revenue	88,454	90,309	-	1,232	30,966	48,598	(17,631)	-36%	90,309
<b>Total Revenue (excluding capital transfers)</b>	<b>444,744</b>	<b>476,783</b>	<b>-</b>	<b>12,403</b>	<b>282,245</b>	<b>275,142</b>	<b>7,103</b>	<b>3%</b>	<b>476,783</b>
Employee costs	126,105	134,149	-	11,087	84,744	77,302	7,442	10%	134,149
Remuneration of Councillors	23,430	25,070	-	1,875	13,124	14,471	(1,346)	-9%	25,070
Depreciation & asset impairment	51,200	51,181	-	-	25,989	28,553	(2,564)	-9%	51,181
Finance charges	2,124	2,500	-	313	313	1,456	(1,143)	-79%	2,500
Materials and bulk purchases	81,986	97,093	-	8,218	46,530	52,267	(5,737)	-11%	97,093
Transfers and subsidies	3,724	4,404	-	-	1,280	2,564	(1,285)	-50%	4,404
Other expenditure	142,563	156,909	-	6,655	98,244	60,198	38,046	63%	156,909
<b>Total Expenditure</b>	<b>431,132</b>	<b>471,306</b>	<b>-</b>	<b>28,147</b>	<b>270,224</b>	<b>236,811</b>	<b>33,413</b>	<b>14%</b>	<b>471,306</b>
<b>Surplus/(Deficit)</b>	<b>13,612</b>	<b>5,477</b>	<b>-</b>	<b>(15,744)</b>	<b>12,021</b>	<b>38,331</b>	<b>(26,310)</b>	<b>-69%</b>	<b>5,477</b>
Transfers and subsidies - capital (monetary allocations)	91,349	63,830	-	-	41,079	50,548	(9,468)	-19%	63,830
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers</b>	<b>104,961</b>	<b>69,307</b>	<b>-</b>	<b>(15,744)</b>	<b>53,100</b>	<b>88,879</b>	<b>(35,779)</b>	<b>-40%</b>	<b>69,307</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>104,961</b>	<b>69,307</b>	<b>-</b>	<b>(15,744)</b>	<b>53,100</b>	<b>88,879</b>	<b>(35,779)</b>	<b>-40%</b>	<b>69,307</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>103,123</b>	<b>75,869</b>	<b>-</b>	<b>1,705</b>	<b>40,225</b>	<b>57,989</b>	<b>(17,764)</b>	<b>-31%</b>	<b>75,869</b>
Capital transfers recognised	80,131	55,504	-	76	36,764	43,955	(7,191)	-16%	55,504
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	22,992	20,365	-	1,629	3,461	14,034	(10,573)	-75%	20,365
<b>Total sources of capital funds</b>	<b>103,123</b>	<b>75,869</b>	<b>-</b>	<b>1,705</b>	<b>40,225</b>	<b>57,989</b>	<b>(17,764)</b>	<b>-31%</b>	<b>75,869</b>
<b>Financial position</b>									
Total current assets	144,278	120,845	-	-	171,901	-	-	-	120,845
Total non current assets	1,084,126	1,083,492	-	-	1,013,723	-	-	-	1,083,492
Total current liabilities	111,156	73,138	-	-	123,812	-	-	-	73,138
Total non current liabilities	86,141	116,629	-	-	101,860	-	-	-	116,629
Community wealth/Equity	1,031,107	1,014,570	-	-	959,952	-	-	-	1,014,570
<b>Cash flows</b>									
Net cash from (used) operating	89,558	83,769	-	(17,037)	63,316	65,975	2,659	4%	83,769
Net cash from (used) investing	(63,516)	(71,869)	-	(1,705)	(39,773)	(44,024)	(4,251)	10%	(71,869)
Net cash from (used) financing	(5,870)	(9,829)	-	(669)	(6,915)	57	6,972	122%	(9,829)
<b>Cash/cash equivalents at the month/year end</b>	<b>41,116</b>	<b>18,039</b>	<b>-</b>	<b>-</b>	<b>22,822</b>	<b>37,976</b>	<b>15,154</b>	<b>40%</b>	<b>8,265</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
Debtors Age Analysis									
Total By Income Source	12,390	4,052	2,417	1,962	2,026	2,013	10,408	40,016	75,285
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

The above C1 Sum table summarizes the following activities: -

**Revenue:**

The actual year to date operational revenue as at end of January is R282, 245 million and the year to date budget of R275, 142 million and this reflects a positive variance of R7, 103 million that can be attributed to property rates, service charges electricity and refuse removal that

have positive/negative variance of material figure. The following are the secondary revenue item categories reflecting a negative and positive material variance:

- Interest earned - external investments: 30% unfavorable variance,
- Property Rates: 12% unfavorable variance
- Rental on Facilities and Equipment: 22% unfavorable variance,
- Transfer and Subsidies: 22% favorable variance
- Services Charges – refuse revenue: 33% unfavorable variance
- Fines: 44% unfavorable variance
- Other revenue: 61% unfavorable variance

### **Operating Expenditure**

The year to date operational expenditure as at end of January amounts to R270, 224 million and the year to date budget is R236, 811 million. This reflects favorable variance of R 33, 413 million that translates to 14% overspending variance. The variance is attributed to non-incorporation of depreciation. The municipality managed to link the Asset Management system with core financial system and the depreciation calculated on the initial system can be interfaced to the financial system and therefore depreciation is calculated bi-annually.

All other expenditure line items are performing almost in line with the year to date budget since the variance thereof is less than 10% except for the following:

- Finance charges: 79% under performance variance,
- Other Material: 44% under performance variance,
- Transfers and subsidies: 50% under performance variance

The above material variances are explained more in detail on Supporting Tables SC 1

### **Capital Expenditure**

The year to date actual capital expenditure as at end of January amounts to R40, 225 million and the year to date budget amounts to R57, 989 million and this gives rise to R17, 764 million under performance variance.

### **Surplus/Deficit**

Taking the above into consideration, the net operating surplus/deficit for the month of January is R53, 010million that is mainly attributed over performance on MIG in the reporting period.

### **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of January amounts to R75, 285 million and this shows an increase of R12, 604 million as compared to R62, 681 million as at end of 2017/18 financial year.

Consumer debtors is made up of service charges and property rates that amount to R54, 340 million and other debtors amounting to R20, 944 Million.

## Creditors

All creditors are paid within 30 days of receipt of invoice as required by MFMA and as a result.

**Table C2 – Financial Performance (Standard Classification)**

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	<b>183,920</b>	<b>203,714</b>	<b>-</b>	<b>3,689</b>	<b>130,387</b>	<b>110,825</b>	<b>19,562</b>	<b>18%</b>	<b>203,714</b>
Executive and council	35,581	42,873	-	-	33,275	26,686	6,589	25%	42,873
Finance and administration	141,936	152,939	-	3,689	91,125	79,338	11,787	15%	152,939
Internal audit	6,402	7,902	-	-	5,987	4,802	1,186	25%	7,902
<b>Community and public safety</b>	<b>18,446</b>	<b>18,637</b>	<b>-</b>	<b>3</b>	<b>15,275</b>	<b>9,626</b>	<b>5,649</b>	<b>59%</b>	<b>18,637</b>
Community and social services	11,977	7,973	-	3	9,214	4,775	4,439	93%	7,973
Sport and recreation	6,469	10,664	-	-	6,061	4,851	1,210	25%	10,664
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>200,822</b>	<b>185,532</b>	<b>-</b>	<b>607</b>	<b>98,165</b>	<b>121,204</b>	<b>(23,040)</b>	<b>-19%</b>	<b>185,532</b>
Planning and development	19,012	17,319	-	167	8,554	9,485	(931)	-10%	17,319
Road transport	180,968	167,196	-	441	88,823	111,088	(22,265)	-20%	167,196
Environmental protection	842	1,018	-	-	788	632	156	25%	1,018
<b>Trading services</b>	<b>132,905</b>	<b>132,730</b>	<b>-</b>	<b>8,104</b>	<b>79,498</b>	<b>84,034</b>	<b>(4,536)</b>	<b>-5%</b>	<b>132,730</b>
Energy sources	107,173	109,537	-	7,439	61,997	66,486	(4,488)	-7%	109,537
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	25,732	23,193	-	664	17,501	17,548	(48)	0%	23,193
Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>536,093</b>	<b>540,613</b>	<b>-</b>	<b>12,403</b>	<b>323,324</b>	<b>325,690</b>	<b>(2,366)</b>	<b>-1%</b>	<b>540,613</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>181,424</b>	<b>176,004</b>	<b>-</b>	<b>11,919</b>	<b>121,609</b>	<b>99,559</b>	<b>22,050</b>	<b>22%</b>	<b>176,004</b>
Executive and council	42,315	42,558	-	2,751	23,790	23,926	(136)	-1%	42,558
Finance and administration	131,658	125,652	-	8,866	91,684	71,084	20,600	29%	125,652
Internal audit	7,450	7,795	-	302	6,135	4,549	1,586	35%	7,795
<b>Community and public safety</b>	<b>14,759</b>	<b>18,191</b>	<b>-</b>	<b>780</b>	<b>6,543</b>	<b>10,322</b>	<b>(3,780)</b>	<b>-37%</b>	<b>18,191</b>
Community and social services	5,737	7,709	-	352	2,787	4,350	(1,563)	-36%	7,709
Sport and recreation	9,021	10,481	-	428	3,756	5,972	(2,217)	-37%	10,481
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>120,307</b>	<b>149,194</b>	<b>-</b>	<b>5,804</b>	<b>80,553</b>	<b>60,963</b>	<b>19,591</b>	<b>32%</b>	<b>149,194</b>
Planning and development	17,708	23,848	-	1,096	8,315	13,774	(5,459)	-40%	23,848
Road transport	101,719	124,365	-	4,665	71,834	46,671	25,163	54%	124,365
Environmental protection	880	981	-	43	404	518	(113)	-22%	981
<b>Trading services</b>	<b>114,643</b>	<b>127,918</b>	<b>-</b>	<b>9,644</b>	<b>61,519</b>	<b>65,967</b>	<b>(4,448)</b>	<b>-7%</b>	<b>127,918</b>
Energy sources	87,570	105,653	-	7,718	44,553	53,971	(9,418)	-17%	105,653
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	27,073	22,265	-	1,926	16,966	11,997	4,970	41%	22,265
Other	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>431,132</b>	<b>471,306</b>	<b>-</b>	<b>28,147</b>	<b>270,224</b>	<b>236,811</b>	<b>33,413</b>	<b>14%</b>	<b>471,306</b>
<b>Surplus/ (Deficit) for the year</b>	<b>104,961</b>	<b>69,307</b>	<b>-</b>	<b>(15,744)</b>	<b>53,100</b>	<b>88,879</b>	<b>(35,779)</b>	<b>-40%</b>	<b>69,307</b>

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

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	37,871	38,168	–	–	29,496	23,655	5,841	25%	38,168
Vote 2 - Municipal Manager	23,080	31,469	–	–	14,780	11,853	2,927	25%	31,469
Vote 3 - Budget & Treasury	71,894	64,695	–	3,676	37,061	36,040	1,021	3%	64,695
Vote 4 - Corporate Services	33,842	39,939	–	13	31,678	25,345	6,334	25%	39,939
Vote 5 - Community Services	122,251	127,644	–	1,016	64,032	74,184	(10,152)	-14%	127,644
Vote 6 - Technical Services	220,489	211,110	–	7,532	130,564	139,386	(8,822)	-6%	211,110
Vote 7 - Developmental Planning	13,935	11,493	–	167	3,806	5,677	(1,871)	-33%	11,493
Vote 8 - Executive Support	12,731	16,094	–	–	11,906	9,549	2,358	25%	16,094
<b>Total Revenue by Vote</b>	<b>536,093</b>	<b>540,613</b>	<b>–</b>	<b>12,403</b>	<b>323,324</b>	<b>325,690</b>	<b>(2,366)</b>	<b>-1%</b>	<b>540,613</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	38,271	37,886	–	2,508	19,937	21,336	(1,400)	-7%	37,886
Vote 2 - Municipal Manager	23,102	31,112	–	3,013	26,889	18,160	8,729	48%	31,112
Vote 3 - Budget & Treasury	59,430	47,233	–	2,930	46,480	27,006	19,475	72%	47,233
Vote 4 - Corporate Services	38,652	37,865	–	1,733	15,071	20,516	(5,444)	-27%	37,865
Vote 5 - Community Services	79,148	105,457	–	4,696	54,807	34,980	19,827	57%	105,457
Vote 6 - Technical Services	165,729	185,027	–	11,351	92,133	99,481	(7,348)	-7%	185,027
Vote 7 - Developmental Planning	10,737	11,188	–	692	4,660	6,411	(1,751)	-27%	11,188
Vote 8 - Executive Support	16,063	15,539	–	1,224	10,248	8,922	1,326	15%	15,539
<b>Total Expenditure by Vote</b>	<b>431,132</b>	<b>471,306</b>	<b>–</b>	<b>28,147</b>	<b>270,224</b>	<b>236,811</b>	<b>33,413</b>	<b>14%</b>	<b>471,306</b>
<b>Surplus/ (Deficit) for the year</b>	<b>104,961</b>	<b>69,307</b>	<b>–</b>	<b>(15,744)</b>	<b>53,100</b>	<b>88,879</b>	<b>(35,779)</b>	<b>-40%</b>	<b>69,307</b>

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	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue By Source</b>									
Property rates	34,805	36,650		2,607	18,228	20,652	(2,425)	-12%	36,650
Service charges - electricity revenue	81,206	89,297		7,439	47,330	49,652	(2,322)	-5%	89,297
Service charges - water revenue							-		
Service charges - sanitation revenue							-		
Service charges - refuse revenue	11,616	12,249		664	4,647	6,898	(2,251)	-33%	12,249
Service charges - other	-						-		
Rental of facilities and equipment	1,000	1,220		93	552	711	(159)	-22%	1,220
Interest earned - external investments	2,500	3,000		208	1,160	1,658	(498)	-30%	3,000
Interest earned - outstanding debtors	14,260	8,161		747	5,240	4,754	485	10%	8,161
Dividends received	-						-		
Fines, penalties and forfeits	55,016	73,218		-	21,705	38,809	(17,105)	-44%	73,218
Licences and permits	4,500	4,950		349	2,916	2,888	28	1%	4,950
Agency services	-	-					-		
Transfers and subsidies	226,163	245,278		252	179,914	147,684	32,230	22%	245,278
Other revenue	13,678	2,761		43	554	1,435	(881)	-61%	2,761
Gains on disposal of PPE						-	-		
<b>Total Revenue (excluding capital transfers)</b>	<b>444,744</b>	<b>476,783</b>	<b>-</b>	<b>12,403</b>	<b>282,245</b>	<b>275,142</b>	<b>7,103</b>	<b>3%</b>	<b>476,783</b>
<b>Expenditure By Type</b>									
Employee related costs	126,105	134,149		11,087	84,744	77,302	7,442	10%	134,149
Remuneration of councillors	23,430	25,070		1,875	13,124	14,471	(1,346)	-9%	25,070
Debt impairment	26,372	53,421		-	31,176	-	31,176	#DIV/0!	53,421
Depreciation & asset impairment	51,200	51,181		-	25,989	28,553	(2,564)	-9%	51,181
Finance charges	2,124	2,500		313	313	1,456	(1,143)	-79%	2,500
Bulk purchases	70,165	80,000		7,383	41,213	42,853	(1,640)	-4%	80,000
Other materials	11,821	17,093		835	5,317	9,414	(4,097)	-44%	17,093
Contracted services	65,237	60,020		3,856	40,127	35,751	4,376	12%	60,020
Transfers and subsidies	3,724	4,404		-	1,280	2,564	(1,285)	-50%	4,404
Other expenditure	50,954	43,468		2,799	26,941	24,447	2,494	10%	43,468
Loss on disposal of PPE				-	-	-	-		
<b>Total Expenditure</b>	<b>431,132</b>	<b>471,306</b>	<b>-</b>	<b>28,147</b>	<b>270,224</b>	<b>236,811</b>	<b>33,413</b>	<b>14%</b>	<b>471,306</b>
<b>Surplus/(Deficit)</b>	<b>13,612</b>	<b>5,477</b>	<b>-</b>	<b>(15,744)</b>	<b>12,021</b>	<b>38,331</b>	<b>(26,310)</b>	<b>-69%</b>	<b>5,477</b>
Transfers and subsidies - capital (monetary allocations)	91,349	63,830		-	41,079	50,548	(9,468)	-19%	63,830
Transfers and subsidies - capital (monetary allocations)							-		
Transfers and subsidies - capital (in-kind - all)							-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>104,961</b>	<b>69,307</b>	<b>-</b>	<b>(15,744)</b>	<b>53,100</b>	<b>88,879</b>			<b>69,307</b>
Taxation									
<b>Surplus/(Deficit) after taxation</b>	<b>104,961</b>	<b>69,307</b>	<b>-</b>	<b>(15,744)</b>	<b>53,100</b>	<b>88,879</b>			<b>69,307</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>104,961</b>	<b>69,307</b>	<b>-</b>	<b>(15,744)</b>	<b>53,100</b>	<b>88,879</b>			<b>69,307</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>104,961</b>	<b>69,307</b>	<b>-</b>	<b>(15,744)</b>	<b>53,100</b>	<b>88,879</b>			<b>69,307</b>

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections are on service charges refuse removal, electricity, fines, Rental of facilities, and interest earned – external investments, outstanding debtors and other revenue. In the case of expenditure, the following line items reflect material variance; Finance charges, Bulk purchases, other material, transfer and subsidies, and other expenditure.

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it is 10% and more.

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

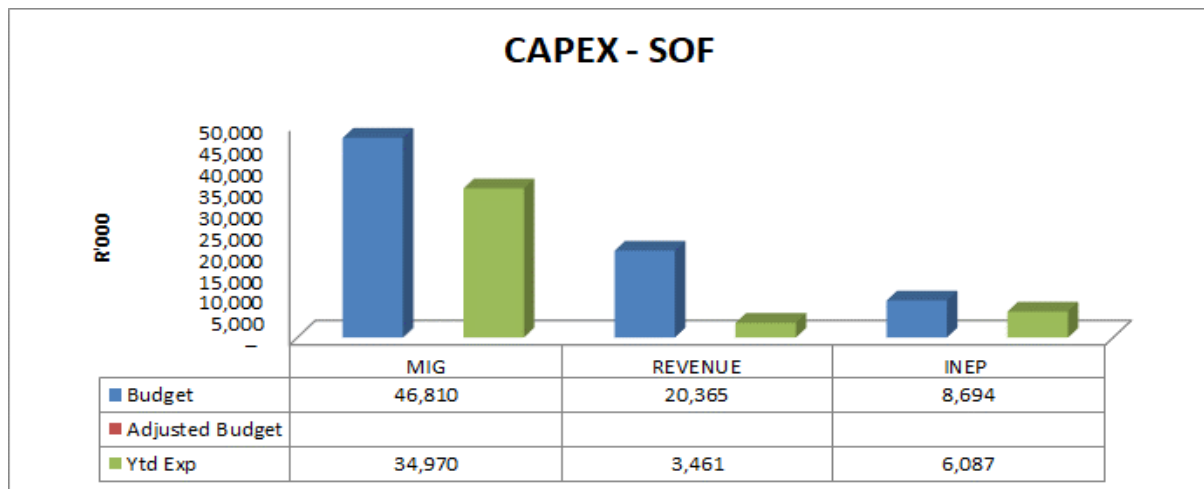
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	1,300	1,700	-	158	657	905	(248)	-27%	1,700
Executive and council							-		
Finance and administration	1,300	1,700		158	657	905	(248)	-27%	1,700
Internal audit							-		
<b>Community and public safety</b>	8,479	522	-	-	-	350	(350)	-100%	522
Community and social services		522		-	-	350	(350)	-100%	522
Sport and recreation	8,479	-					-		-
Public safety							-		
Housing							-		
Health							-		
<b>Economic and environmental services</b>	80,021	59,779	-	1,547	32,724	48,436	(15,712)	-32%	59,779
Planning and development		-					-		-
Road transport	80,021	59,779		1,547	32,724	48,436	(15,712)	-32%	59,779
Environmental protection		-					-		-
<b>Trading services</b>	13,324	13,868	-	-	6,843	8,298	(1,455)	-18%	13,868
Energy sources	13,324	10,868		-	6,843	5,848	995	17%	10,868
Water management		-					-		-
Waste water management		-					-		-
Waste management		3,000		-	-	2,450	(2,450)	-100%	3,000
Other		-					-		-
<b>Total Capital Expenditure - Functional Classification</b>	<b>103,123</b>	<b>75,869</b>	<b>-</b>	<b>1,705</b>	<b>40,225</b>	<b>57,989</b>	<b>(17,764)</b>	<b>-31%</b>	<b>75,869</b>
<b>Funded by:</b>									
National Government	80,131	55,504		76	36,764	43,955	(7,191)	-16%	55,504
Provincial Government							-		
District Municipality							-		
Other transfers and grants							-		
<b>Transfers recognised - capital</b>	<b>80,131</b>	<b>55,504</b>	<b>-</b>	<b>76</b>	<b>36,764</b>	<b>43,955</b>	<b>(7,191)</b>	<b>-16%</b>	<b>55,504</b>
Public contributions & donations							-		
Borrowing							-		
Internally generated funds	22,992	20,365		1,629	3,461	14,034	(10,573)	-75%	20,365
<b>Total Capital Funding</b>	<b>103,123</b>	<b>75,869</b>	<b>-</b>	<b>1,705</b>	<b>40,225</b>	<b>57,989</b>	<b>(17,764)</b>	<b>-31%</b>	<b>75,869</b>



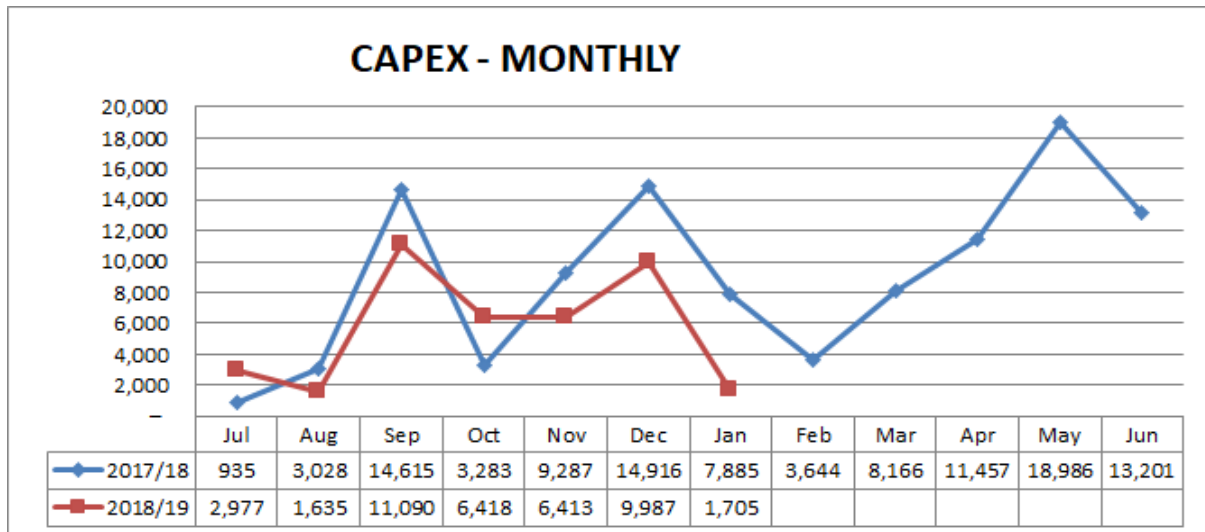
**Table C5C: Monthly Capital Expenditure by Vote**

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,300	1,400	-	158	582	735	(153)	-21%	1,400
Vote 5 - Community Services	500	3,000	-	-	-	2,450	(2,450)	-100%	3,000
Vote 6 - Technical Services	75,747	27,513	-	-	12,102	17,101	(4,999)	-29%	27,513
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>77,547</b>	<b>31,913</b>	<b>-</b>	<b>158</b>	<b>12,684</b>	<b>20,286</b>	<b>(7,602)</b>	<b>-37%</b>	<b>31,913</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	500	-	-	-	500	(500)	-100%	500
Vote 4 - Corporate Services	-	300	-	-	76	170	(94)	-55%	300
Vote 5 - Community Services	400	522	-	-	-	350	(350)	-100%	522
Vote 6 - Technical Services	25,176	42,634	-	1,547	27,465	36,683	(9,217)	-25%	42,634
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>25,576</b>	<b>43,956</b>	<b>-</b>	<b>1,547</b>	<b>27,541</b>	<b>37,703</b>	<b>(10,162)</b>	<b>-27%</b>	<b>43,956</b>
<b>Total Capital Expenditure</b>	<b>103,123</b>	<b>75,869</b>	<b>-</b>	<b>1,705</b>	<b>40,225</b>	<b>57,989</b>	<b>(17,764)</b>	<b>-31%</b>	<b>75,869</b>

The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of January 2019, R1, 705 million spending was incurred and that increased the year to date expenditure to R40, 225 million whilst the year to date budget is R57, 989 million and this gave rise to under spending variance of R 17, 764 million that translates to 31%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R75, 869 million, R46, 810 million is funded from Municipal Infrastructure grant, R8, 694 million from INEP and R 20, 365 million from own revenue and the spending per source of finance is presented in the above graph.



The above graph compares the 2017/18 and 2018/19 monthly capital expenditure performance.

**Table C6: Monthly Budget Statement Financial Position**

Description	2017/18	Budget Year 2018/19			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	10,840	2,457		2,612	2,457
Call investment deposits	30,277	15,582		20,210	15,582
Consumer debtors	48,056	40,483		39,659	40,483
Other debtors	51,359	58,923		105,085	58,923
Current portion of long-term receivables	–			–	
Inventory	3,747	3,400		4,336	3,400
<b>Total current assets</b>	<b>144,278</b>	<b>120,845</b>	<b>–</b>	<b>171,901</b>	<b>120,845</b>
<b>Non current assets</b>					
Long-term receivables				–	–
Investments				–	–
Investment property	56,136	53,728		54,139	53,728
Investments in Associate		–		–	
Property, plant and equipment	1,015,767	1,016,632		958,347	1,016,632
Agricultural		–		–	
Biological		–		–	
Intangible	291	291		–	291
Other non-current assets	11,932	12,841		1,237	12,841
<b>Total non current assets</b>	<b>1,084,126</b>	<b>1,083,492</b>	<b>–</b>	<b>1,013,723</b>	<b>1,083,492</b>
<b>TOTAL ASSETS</b>	<b>1,228,404</b>	<b>1,204,337</b>	<b>–</b>	<b>1,185,624</b>	<b>1,204,337</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft					
Borrowing	5,839	10,000		3,477	10,000
Consumer deposits	5,770	5,260		5,330	5,260
Trade and other payables	90,057	52,466		111,291	52,466
Provisions	9,489	5,412		3,715	5,412
<b>Total current liabilities</b>	<b>111,156</b>	<b>73,138</b>	<b>–</b>	<b>123,812</b>	<b>73,138</b>
<b>Non current liabilities</b>					
Borrowing	–	30,677		3,860	30,677
Provisions	86,141	85,952		98,000	85,952
<b>Total non current liabilities</b>	<b>86,141</b>	<b>116,629</b>	<b>–</b>	<b>101,860</b>	<b>116,629</b>
<b>TOTAL LIABILITIES</b>	<b>197,297</b>	<b>189,767</b>	<b>–</b>	<b>225,672</b>	<b>189,767</b>
<b>NET ASSETS</b>	<b>1,031,107</b>	<b>1,014,570</b>	<b>–</b>	<b>959,952</b>	<b>1,014,570</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	1,031,107	1,014,570		959,952	1,014,570
Reserves	–	–		–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1,031,107</b>	<b>1,014,570</b>	<b>–</b>	<b>959,952</b>	<b>1,014,570</b>

The above table shows that community wealth amounts to R959, 952 million, total liabilities R225, 672 million and the total assets R1, 185 billion. Non-current liabilities are mainly made up of borrowing and provisions for long service award, landfill site.

**Table C7: Monthly Budget Statement Cash Flow**

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	15,677	28,587		1,847	12,430	16,676	(4,246)	-25%	28,587
Service charges	54,524	89,922		6,566	48,898	52,454	(3,557)	-7%	89,922
Other revenue	31,449	18,225		1,387	24,895	10,631	14,264	134%	18,225
Government - operating	226,163	245,278		1,000	124,386	143,079	(18,693)	-13%	245,278
Government - capital	81,860	63,830		-	55,918	54,778	1,140	2%	63,830
Interest	1,710	4,632		310	2,170	2,790	(620)	-22%	4,632
Dividends		-		-	-		-		-
<b>Payments</b>									
Suppliers and employees	(315,061)	(359,801)		(27,834)	(203,787)	(209,884)	(6,096)	3%	(359,801)
Finance charges	(448)	(2,500)		(313)	(313)	(1,980)	(1,667)	84%	(2,500)
Transfers and Grants	(6,316)	(4,404)		-	(1,280)	(2,569)	(1,289)	50%	(4,404)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>89,558</b>	<b>83,769</b>	<b>-</b>	<b>(17,037)</b>	<b>63,316</b>	<b>65,975</b>	<b>2,659</b>	<b>4%</b>	<b>83,769</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE		2,000		-	-		-		2,000
Decrease (Increase) in non-current debtors		2,000		-	-		-		2,000
Decrease (increase) other non-current receivables	14,048	-		-	150	233	(83)	-36%	-
Decrease (increase) in non-current investments		-		-	-		-		-
<b>Payments</b>									
Capital assets	(77,564)	(75,869)		(1,705)	(39,923)	(44,257)	(4,334)	10%	(75,869)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(63,516)</b>	<b>(71,869)</b>	<b>-</b>	<b>(1,705)</b>	<b>(39,773)</b>	<b>(44,024)</b>	<b>(4,251)</b>	<b>10%</b>	<b>(71,869)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans		-			-	9,764	(9,764)	-100%	-
Borrowing long term/refinancing		-		-	-		-		-
Increase (decrease) in consumer deposits	(137)	171		41	80	57	23	41%	171
<b>Payments</b>									
Repayment of borrowing	(5,733)	(10,000)		(711)	(6,996)	(9,764)	(2,768)	28%	(10,000)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(5,870)</b>	<b>(9,829)</b>	<b>-</b>	<b>(669)</b>	<b>(6,915)</b>	<b>57</b>	<b>6,972</b>	<b>122%</b>	<b>(9,829)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>20,172</b>	<b>2,071</b>	<b>-</b>	<b>(19,411)</b>	<b>16,628</b>	<b>22,008</b>			<b>2,071</b>
Cash/cash equivalents at beginning:	20,944	15,968			6,194	15,968			6,194
Cash/cash equivalents at month/year end:	41,116	18,039	-		22,822	37,976			8,265

Table C7 presents details pertaining to cash flow performance. As at end of January 2019, the net cash inflow from operating activities is R70, 180 million whilst net cash outflow from investing activities is R39, 773 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R6, 915 million. The cash and cash equivalent held at end of January 2019 amounted to R22, 822 million and the net effect of the above cash flows is cash inflow movement of R23, 491 million. The cash and cash equivalent at end of the reporting period of R22, 822 million is made up of cash amounting to R2, 612 million and the investment of R20, 210 for the month under review.

**PART 2: SUPPORTING TABLES**

**Supporting Table: SC 3 Material Variance Explanation**

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>Revenue By Source</b>			
Property rates	-12%	The projected monthly revenue appear to be too high in light of the actual revenue performance	There might be downwards revenue adjustment should the account continue to underperform
Service charges - refuse revenue	-33%	There is underperformance variance on this source of revenue especially on refuse removal skips	The tariff applied on rental of skips must be in line with the approved tariffs
Rental of facilities and equipment	-22%	The majority of the rented assets are not at arm's length transactions	The rental amount should be market related
Fines, penalties and forfeits	-44%	The municipality is still applying cash basis of accounting as opposed to accrual method	The traffic fines systems (TMT and TCS) to be integrated with munsoft so that traffic fines will be realised and reported on as and when issued
Transfers and subsidies	22%	The first tranche of equitable share was higher than the projection thereof	No remedial action is needed as all budgeted grants have been gazetted
Other revenue	-61%	The majority of tender documents (grants funded) for 2018/19 projects were sold in 2017/18 financial year	No remedial action is needed
Transfers and subsidies - capital (monetary allocations)	-19%	There is overspending on both MIG and INEP relative to the projected spending	The Infrastructure department will have to accelerate the spending pattern on grants funded projects
<b>Expenditure By Type</b>			
Finance charges	-79%	Finance charges is mainly for finance lease and the leased items were only delivered towards end of September	No remedial action is needed
Other materials	-44%	The discrepancy is caused by non spending on repairs and maintenance and the major portion of other materials comes from this account	The departments with repairs and maintenance to accelerate spending thereof
Transfers and subsidies	-50%	The payments relating to this account were processed however they were not captured on munsoft	All processed invoices must be captured on munsoft before month end system closure

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>Capital Expenditure</b>			
National Government	-16%	The spending on grants funded capital projects was delayed by the fact that contractors were started working in July	The spending will only start improving in August
Internally generated funds	-75%	Delay in procurement process as focus was put on grants funded projects	The departments with internally funded projects to accelerate the procurement process
<b>Cash Flow</b>			
Property rates	-25%	The collection rate of 72% on property rates is slightly below the projected rate of 78%	Finance department to strengthen the credit control measures in ensuring improved collection rate
Service charges	-7%	The collection rate on electricity is less by 10% whilst that of refuse removal is less by 20%	Finance department to strengthen the credit control measures in ensuring improved collection rate
Other revenue	134%	The majority of tender documents (grants funded) for 2018/19 projects were sold in 2017/18 financial year	No remedial action is needed
Interest	-22%	Investment was only made in July and the interest will then be realised from August	No remedial action is needed
Suppliers and employees	6%	2017/18 accrued creditors were only paid in July	No remedial action is needed
Finance charges	84%	Finance charges is mainly for finance lease and the leased items were only delivered towards end of August	No remedial action is needed
Transfers and Grants	50%	The payments relating to this account were processed however they were not captured on munsoft	All processed invoices must be captured on munsoft before month end system closure
Increase (decrease) in consumer deposits	41%	Consumer deposits paid in was significantly higher than the projection thereof	No remedial action is needed
Repayment of borrowing	28%	The late delivery of leased fleet of vehicles	No remedial action is needed

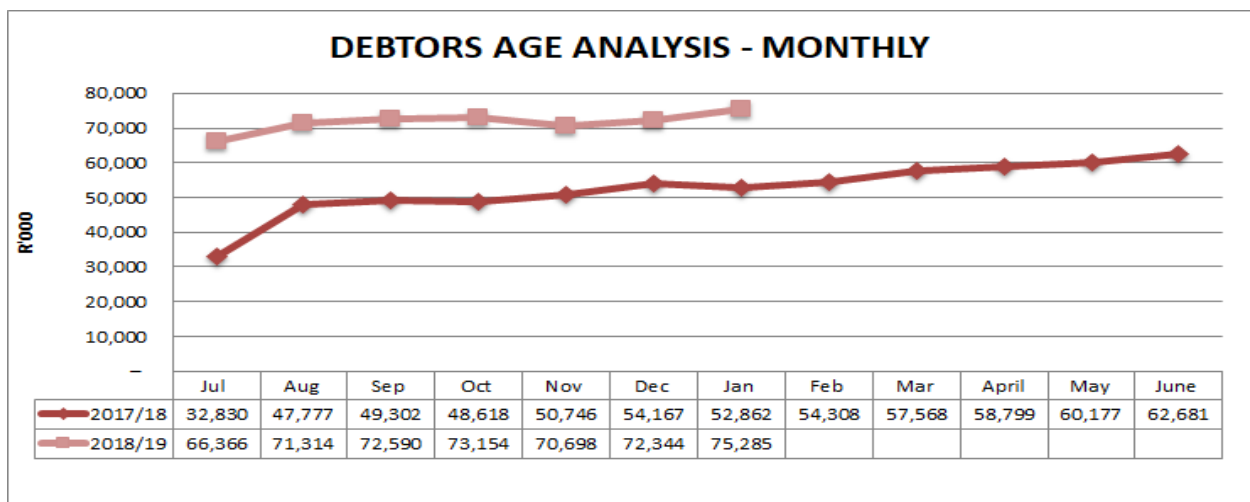
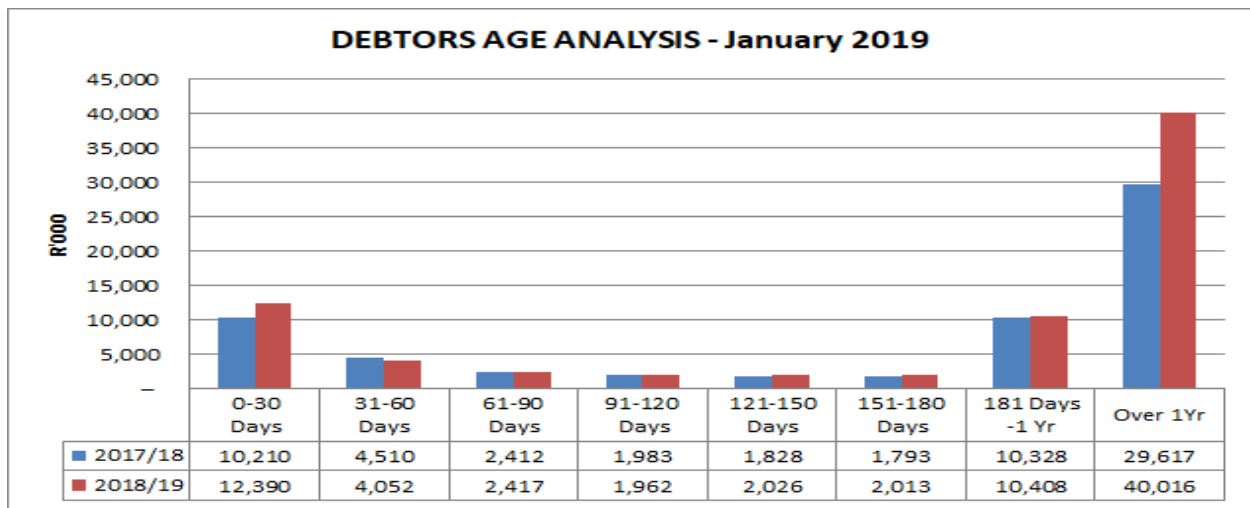
### Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2018/19											
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Bad Debts Written Off	Impairment - Bad Debts
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Water									-	-		
Trade and Other Receivables from Exchange Transactions - Electricity	7,381	1,385	306	145	91	68	403	3,374	13,153	4,081		
Receivables from Non-exchange Transactions - Property Rates	2,671	1,343	1,190	944	959	928	4,607	19,625	32,266	27,063		
Receivables from Exchange Transactions - Waste Water Management									-	-		
Receivables from Exchange Transactions - Waste Management	665	454	391	370	360	355	1,955	4,371	8,921	7,411		
Receivables from Exchange Transactions - Property Rental Debtors	85	18	17	5	2	2	105	945	1,178	1,058		
Interest on Arrear Debtor Accounts	796	764	728	697	669	644	3,397	13,322	21,018	18,730		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-		
Other	792	89	(214)	(199)	(55)	16	(59)	(1,621)	(1,250)	(1,919)		
<b>Total By Income Source</b>	<b>12,390</b>	<b>4,052</b>	<b>2,417</b>	<b>1,962</b>	<b>2,026</b>	<b>2,013</b>	<b>10,408</b>	<b>40,016</b>	<b>75,285</b>	<b>56,425</b>	<b>-</b>	<b>-</b>
<b>2017/18 - totals only</b>	<b>10,210</b>	<b>4,510</b>	<b>2,412</b>	<b>1,983</b>	<b>1,828</b>	<b>1,793</b>	<b>10,328</b>	<b>29,617</b>	<b>62,681</b>	<b>45,549</b>		
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	1,561	988	600	481	528	499	2,245	9,867	16,770	13,621		
Commercial	6,268	1,117	352	231	264	269	1,500	5,927	15,927	8,191		
Households	3,771	1,499	1,045	845	841	857	4,455	14,032	27,346	21,031		
Other	790	448	420	405	392	388	2,208	10,190	15,241	13,583		
<b>Total By Customer Group</b>	<b>12,390</b>	<b>4,052</b>	<b>2,417</b>	<b>1,962</b>	<b>2,026</b>	<b>2,013</b>	<b>10,408</b>	<b>40,016</b>	<b>75,285</b>	<b>56,425</b>	<b>-</b>	<b>-</b>

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of January amount to R75, 285 million. The debtors' book is made up as follows:

- Rates 43%
- Electricity 17%
- Rental 2%
- Refuse removal 12%
- Interest on Debtors 28%
- Other -2%

The debtors' age analysis is graphically presented below.





The initial graph compares debtors' age analysis for 2017/18 financial year and 2018/19 (as at end of January 2019) whilst the latter shows monthly movement of debtors for both the current financial year and the 2017/18 financial year.

The debtors book is materially less than the 2017/18 monthly figures and this is attributed to debtors write off done at end of 2017/18 financial year.

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

#### TOP TWENTY DEBTORS

ACCOUNT NO	ACCOUNT HOLDER NAME	STATUS	TYPE	OUTSTANDING TOTAL BALANCE
9005301	TWIN CITY TRADING (PTY) LTD	ACTIVE	OWNER	1,731,082.67
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	1,049,096.16
214913	MEAT SPOT	ACTIVE	OCCUPIER	557,410.05
9000000	REPUBLIEK VAN SUID-AFRIKA	ACTIVE	OWNER	454,781.09
9001077	ROYAL SQUARE INV 361 CC	ACTIVE	OWNER	380,693.68
201885	SHOPRITE CHECKERS (PTY) LTD	ACTIVE	OCCUPIER	371,399.88
9000804	NATIONAL GOVERNMENT REPUBLIC OF SOUTH AFRI	ACTIVE	OWNER	324,657.30
9900067	WATER PURIFICATION PLANT (SDM)	ACTIVE	OCCUPIER	313,646.32
9053280	LIMPOPO GOVERNMENT OF LIMPOPO P	ACTIVE	OWNER	300,458.02
2000270	PROVINSIALE HOSPITAAL	ACTIVE	OCCUPIER	290,593.29
9000276	DEPARTMENT OF PUBLIC WORKS-PROVINCIAL	ACTIVE	OWNER	276,678.48
5001708	UNITRADE 518 (PTY) LTD	ACTIVE	OWNER	219,112.03
9002958	PROVINCIAL GOVERNMENT OF LIMPO	ACTIVE	OWNER	215,302.33
9002065	GOVERNMENT OF KWANDEBELE	ACTIVE	OWNER	214,876.93
211693	BOXER SUPERSTORE'ATT KERSHNEE	ACTIVE	OCCUPIER	204,875.70
9002067	NATIONAL GOVERNMENT OF THE REP	ACTIVE	OWNER	201,564.59
136	LIZINEX (PTY) LTD	ACTIVE	OWNER	185,012.19
2200702	NAMIB FAMILY TRUST	ACTIVE	OWNER	183,170.51
5002109	VAN AARD FJ(MAPOCHH	ACTIVE	OCCUPIER	168,283.49
1501364	JAN JOUBERT TR (JO JO TANKS)	ACTIVE	OWNER	167,402.87
<b>TOTAL</b>				<b>7,810,097.58</b>

## Supporting Table: SC 4 - Creditors Age Analysis

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

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.

### TOP CREDITORS PAID

CODE	CREDITOR NAME	AMOUNT
80889	FLEET HORIZON SOLUTIONS	704,490.00
80163	MOBOFA TRADING SERVICES (PTY)	266,380.00
80295	YOUNG LADY CONSTRUCTION AND SE	175,000.00
35403	BONGILEMASHUMI C C	160,900.00
41095	REAKGONA TRAVEL SERVICES	147,987.50
37770	BAHLOTSE TRADING (PTY) LTD	147,480.00
80653	BABIRWA TRAVEL	88,516.19
37800	ASSIST COMMUNICATION AGENCY	27,000.00
80617	LESNOEK PROJECTS (PTY) LTD	22,450.00
80888	KGABILE TECHNOLOGIES	20,807.80
37680	MAHLAKWANE TRADING ENTERPRISE	5,500.00
<b>TOTAL</b>		<b>1,766,511.49</b>

The above table presents the top creditors paid during the month of January 2019 and an amount of R1, 766 million will be paid to these creditors during the reporting period.

### Supporting Table: SC 5 - Investment Portfolio

Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date	Accrued interest	Yield for the month 1 (%)	Market value at beginning	Change in market value	Market value at end
Nedbank (03/788106826400037)	2 months	Current Inv	31-Dec-18	5	5.45%	15,182	(15,187)	-
Nedbank (03/7881068264/0048)	1 Month	Current Inv	20-Feb-19	133	7.83%	20,077	-	20,210
Nedbank (03/7881068264/0049)	2 months	Current Inv	23-Jan-19	70	7.73%	15,057	(15,127)	-
<b>TOTAL INVESTMENTS AND INTEREST</b>				<b>208</b>		<b>50,316</b>	<b>(30,314)</b>	<b>20,210</b>

Supporting table SC5 presents all investments, and it indicates that municipality had R50, 316 million short term investment at end of December 2018. Municipality had R50, 316 million short term investment at the beginning of the month and withdrew R30, 314 and the balance is R20, 210. Accrued interest for the month amounted to R208 thousand.

### Supporting Table: SC 6 - Transfers and Grant Receipts

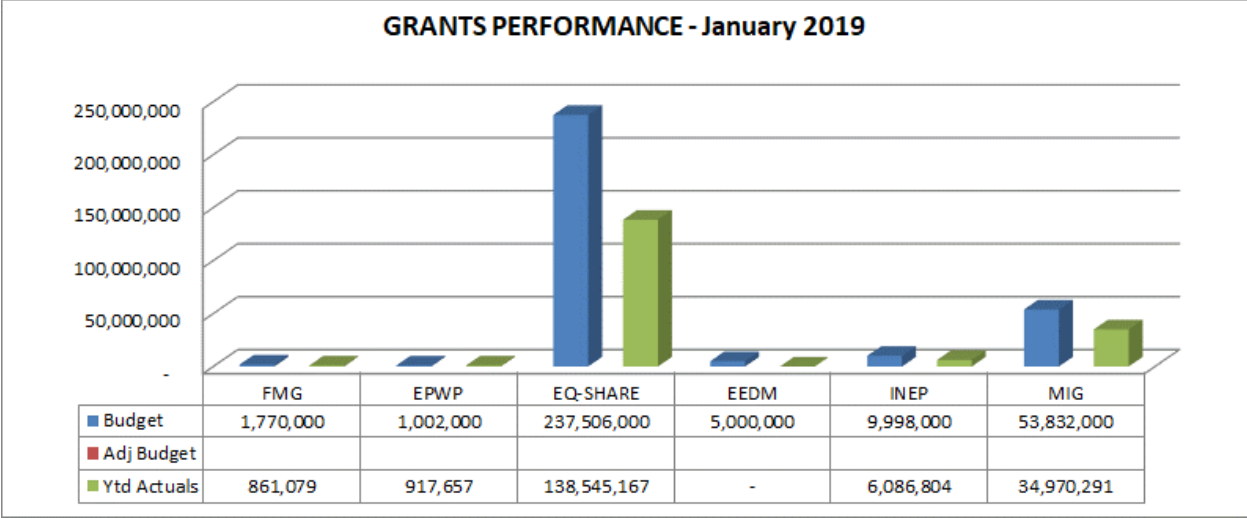
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>226,163</b>	<b>245,278</b>	<b>-</b>	<b>1,000</b>	<b>185,602</b>	<b>185,602</b>	<b>-</b>		<b>245,278</b>
Local Government Equitable Share	223,019	237,506		-	178,130	178,130	-		237,506
Finance Management	1,700	1,770		-	1,770	1,770			1,770
EPWP Incentive	1,444	1,002		-	702	702			1,002
Energy Efficiency and Demand Management	-	5,000		1,000	5,000	5,000			5,000
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>Total Operating Transfers and Grants</b>	<b>226,163</b>	<b>245,278</b>	<b>-</b>	<b>1,000</b>	<b>185,602</b>	<b>185,602</b>	<b>-</b>		<b>245,278</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>91,349</b>	<b>63,830</b>	<b>-</b>	<b>-</b>	<b>55,918</b>	<b>55,918</b>	<b>-</b>		<b>63,830</b>
Municipal Infrastructure Grant (MIG)	76,160	53,832		-	45,920	45,920	-		53,832
Integrated National Electrification Grant	15,189	9,998		-	9,998	9,998	-		9,998
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>Total Capital Transfers and Grants</b>	<b>91,349</b>	<b>63,830</b>	<b>-</b>	<b>-</b>	<b>55,918</b>	<b>55,918</b>	<b>-</b>		<b>63,830</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>317,512</b>	<b>309,108</b>	<b>-</b>	<b>1,000</b>	<b>241,520</b>	<b>241,520</b>	<b>-</b>		<b>309,108</b>

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R241, 520 million of which the major portion is attributed to equitable share. All the grants allocated for the current financial year, so far have been received in line with National Treasury payment schedule.

## Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>226,163</b>	<b>245,278</b>	<b>-</b>	<b>20,044</b>	<b>140,324</b>	<b>123,006</b>	<b>17,318</b>	<b>14%</b>	<b>245,278</b>
Local Government Equitable Share	223,019	237,506		19,792	138,545	118,753	19,792	17%	237,506
Finance Management	1,700	1,770		112	861	1,033	(171)	-17%	1,770
EPWP Incentive	1,444	1,002		140	918	720	198	27%	1,002
Energy Efficiency and Demand Management	-	5,000		-	-	2,500	(2,500)	-100%	5,000
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A									
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A									
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A									
<b>Total operating expenditure of Transfers and Grants:</b>	<b>226,163</b>	<b>245,278</b>	<b>-</b>	<b>20,044</b>	<b>140,324</b>	<b>123,006</b>	<b>17,318</b>	<b>14%</b>	<b>245,278</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>91,349</b>	<b>63,830</b>	<b>-</b>	<b>-</b>	<b>41,079</b>	<b>47,203</b>	<b>(6,123)</b>	<b>-13%</b>	<b>63,830</b>
Municipal Infrastructure Grant (MIG)	76,160	53,832		-	34,993	42,260	(7,267)	-17%	53,832
Intergrated National Electrification Grant	15,189	9,998		-	6,087	4,943	1,144	23%	9,998
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A									
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A									
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A									
<b>Total capital expenditure of Transfers and Grants</b>	<b>91,349</b>	<b>63,830</b>	<b>-</b>	<b>-</b>	<b>41,079</b>	<b>47,203</b>	<b>(6,123)</b>	<b>-13%</b>	<b>63,830</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>317,512</b>	<b>309,108</b>	<b>-</b>	<b>20,044</b>	<b>181,403</b>	<b>170,208</b>	<b>11,195</b>	<b>7%</b>	<b>309,108</b>

An amount of R20, 044 million has been spent on grants during the month of January 2019 and the year to date actuals is 181, 403 million whilst the year to date budget amounts to R 170, 208 million and this results in underspending variance of R11, 195 million that translates to negative 13%. Of the total spending amounting to R 20, 044 million, R20, 044 million is spent on operational grants whilst R 0 is spent of capital grants.



The above graph depicts the gazetted and budgeted amounts for all the grants and the expenditure thereof as at end of January 2019. The grants expenditure is shown below in percentages:

- Financial Management Grant 48.65%
- Expanded Public Work Programme 91.58%
- Equitable Share 58.33%
- Municipal Infrastructure Grant 64.96%
- Integrated National Electrification Grant 60.88%
- Energy Efficiency and Demand Side Management Grant 0%

## Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councilor remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	14,757	15,073		1,075	7,554	8,692	(1,138)	-13%	15,073
Pension and UIF Contributions	1,670	1,857		128	903	1,073	(170)	-16%	1,857
Medical Aid Contributions	285	317		33	201	167	35	21%	317
Motor Vehicle Allowance	4,788	5,324		412	2,886	3,082	(197)	-6%	5,324
Cellphone Allowance	1,930	2,489		226	1,580	1,452	128	9%	2,489
Housing Allowances	-	-		-	-	-	-		-
Other benefits and allowances	(0)	10		-	-	5	(5)	-100%	10
<b>Sub Total - Councillors</b>	<b>23,430</b>	<b>25,070</b>	<b>-</b>	<b>1,875</b>	<b>13,124</b>	<b>14,471</b>	<b>(1,346)</b>	<b>-9%</b>	<b>25,070</b>
<b>% increase</b>		<b>7%</b>							<b>7%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	4,325	4,718		346	2,668	2,517	151	6%	4,718
Pension and UIF Contributions	921	1,095		13	133	596	(462)	-78%	1,095
Medical Aid Contributions	198	252		7	54	133	(79)	-59%	252
Overtime	-	-		-	-	-	-		-
Performance Bonus	-	-		-	-	-	-		-
Motor Vehicle Allowance	815	907		55	458	490	(32)	-7%	907
Cellphone Allowance	59	84		14	88	49	39	80%	84
Housing Allowances	-	-		-	-	-	-		-
Other benefits and allowances	292	81		17	450	74	375	504%	81
Payments in lieu of leave	165	-		40	40	-	40	#DIV/0!	-
Long service awards	-	-		-	-	-	-		-
Post-retirement benefit obligations	-	-		-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>	<b>6,775</b>	<b>7,137</b>	<b>-</b>	<b>492</b>	<b>3,891</b>	<b>3,859</b>	<b>32</b>	<b>1%</b>	<b>7,137</b>
<b>% increase</b>		<b>5%</b>							<b>5%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	74,581	85,022		6,917	47,987	49,175	(1,188)	-2%	85,022
Pension and UIF Contributions	16,183	16,149		1,400	9,763	8,646	1,117	13%	16,149
Medical Aid Contributions	5,059	4,826		455	3,022	2,532	490	19%	4,826
Overtime	2,784	1,774		547	1,421	1,065	356	33%	1,774
Performance Bonus	-	-		-	-	-	-		-
Motor Vehicle Allowance	9,481	8,965		881	6,013	4,780	1,233	26%	8,965
Cellphone Allowance	835	986		132	806	547	258	47%	986
Housing Allowances	214	161		14	101	84	17	20%	161
Other benefits and allowances	8,499	8,057		145	7,246	6,107	1,138	19%	8,057
Payments in lieu of leave	1,067	892		4	515	384	131	34%	892
Long service awards	627	180		99	502	123	380	310%	180
Post-retirement benefit obligations	-	-		-	3,477	-	3,477	#DIV/0!	-
<b>Sub Total - Other Municipal Staff</b>	<b>119,330</b>	<b>127,011</b>	<b>-</b>	<b>10,595</b>	<b>80,853</b>	<b>73,443</b>	<b>7,410</b>	<b>10%</b>	<b>127,011</b>
<b>% increase</b>		<b>6%</b>							<b>6%</b>
<b>Total Parent Municipality</b>	<b>149,535</b>	<b>159,219</b>	<b>-</b>	<b>12,961</b>	<b>97,868</b>	<b>91,773</b>	<b>6,095</b>	<b>7%</b>	<b>159,219</b>
		<b>6%</b>							<b>6%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>149,535</b>	<b>159,219</b>	<b>-</b>	<b>12,961</b>	<b>97,868</b>	<b>91,773</b>	<b>6,095</b>	<b>7%</b>	<b>159,219</b>
<b>% increase</b>		<b>6%</b>							<b>6%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>126,105</b>	<b>134,149</b>	<b>-</b>	<b>11,087</b>	<b>84,744</b>	<b>77,302</b>	<b>7,442</b>	<b>10%</b>	<b>134,149</b>

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of January 2019 amounts to R73, 657 million and the year to date budget is R 66, 884 million and the expenditure for remuneration of councilors amounts to R11, 249 million while the year to date budget is R 12, 403 million. The year to date actuals for senior managers is R3, 399 million and the year to date budget thereof is R3, 354 million, and the year to date actuals for other municipal staff is R70, 258 million and the year to date budget is R63, 531 million. The remuneration of councilors category has under spending variance and senior managers while other municipal staff categories has over spending variance.

## Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts

Description	Budget Year 2018/19												2018/19 Medium Term Revenue		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year +1	Budget Year +2
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget			
<b>Cash Receipts By Source</b>															
Property rates	1,905	1,271	1,939	1,806	2,068	1,592	1,847	2,392	2,314	2,392	2,392	6,666	28,587	30,131	31,788
Service charges - electricity revenue	6,380	5,702	6,815	6,695	8,360	6,242	6,238	6,393	6,481	6,943	7,537	6,583	80,368	85,993	92,228
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse	362	245	496	335	378	323	328	741	741	741	741	4,123	9,554	10,070	10,624
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	25	15	27	161	16	53	17	51	51	51	51	93	610	643	678
Interest earned - external investments	123	254	204	68	23	135	208	350	440	244	308	645	3,000	3,162	3,336
Interest earned - outstanding debtors	81	31	55	74	683	131	103	134	146	132	148	(84)	1,632	1,720	1,815
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1	0	548	0	28	2,325	–	780	910	910	884	3,860	10,248	10,801	11,395
Licences and permits	445	458	398	497	460	309	349	413	413	413	413	384	4,950	5,217	5,504
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer receipts - operating	19,953	21,814	2,000	–	450	79,169	1,000	–	64,929	–	–	55,963	245,278	269,940	293,775
Other revenue	764	1,114	1,124	1,611	13,040	89	1,021	225	235	200	195	(17,198)	2,417	2,548	2,688
<b>Cash Receipts by Source</b>	<b>30,040</b>	<b>30,904</b>	<b>13,605</b>	<b>11,248</b>	<b>25,504</b>	<b>90,367</b>	<b>11,110</b>	<b>11,478</b>	<b>76,659</b>	<b>12,025</b>	<b>12,668</b>	<b>61,035</b>	<b>386,644</b>	<b>420,226</b>	<b>453,831</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	27,110	–	–	4,000	–	24,808	–	–	5,976	–	–	1,936	63,830	67,721	70,734
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	2,000	2,000	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase in consumer deposits	97	501	(548)	29	–	(39)	41	6	8	25	40	12	171	203	227
Receipt of non-current debtors	–	–	150	–	–	–	–	150	100	112	200	1,288	2,000	2,500	2,700
Receipt of non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Change in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Cash Receipts by Source</b>	<b>57,247</b>	<b>31,404</b>	<b>13,207</b>	<b>15,277</b>	<b>25,504</b>	<b>115,136</b>	<b>11,152</b>	<b>11,634</b>	<b>82,743</b>	<b>12,162</b>	<b>12,908</b>	<b>66,270</b>	<b>454,645</b>	<b>490,650</b>	<b>527,492</b>
<b>Cash Payments by Type</b>															
Employee related costs	10,151	11,367	10,048	10,552	10,401	20,768	11,087	10,963	10,426	10,294	13,096	4,996	134,149	142,723	152,000
Remuneration of councillors	2,635	1,875	1,875	1,875	1,875	1,876	1,875	2,067	2,078	2,088	2,212	2,741	25,070	26,675	28,409
Interest paid	–	–	–	239	260	(499)	313	208	208	208	208	1,355	2,500	2,300	2,000
Bulk purchases - Electricity	729	7,331	7,286	103	1,069	16,313	7,383	6,950	7,247	7,250	7,300	11,040	80,000	84,320	88,958
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	254	778	940	635	637	1,238	835	535	2,059	1,252	1,427	6,502	17,093	18,017	19,007
Contracted services	5,676	4,532	3,492	4,767	6,157	9,573	3,856	5,783	3,608	5,207	3,755	3,616	60,020	62,629	66,073
Grants and subsidies paid - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other	–	107	109	–	–	1,063	–	366	366	366	366	1,659	4,404	4,642	4,897
General expenses	849	1,062	469	2,628	3,288	3,987	2,799	4,151	3,573	3,135	3,910	13,617	43,468	45,289	47,780
<b>Cash Payments by Type</b>	<b>20,294</b>	<b>27,052</b>	<b>24,218</b>	<b>20,799</b>	<b>23,687</b>	<b>54,319</b>	<b>28,147</b>	<b>31,024</b>	<b>29,565</b>	<b>29,800</b>	<b>32,274</b>	<b>45,526</b>	<b>366,705</b>	<b>386,594</b>	<b>409,124</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	2,381	1,635	9,235	8,567	6,413	9,987	1,705	6,249	5,136	2,938	2,052	19,571	75,869	85,123	84,647
Repayment of borrowing	–	–	–	2,710	549	3,026	711	833	833	833	833	(329)	10,000	14,000	16,677
Other Cash Flows/Payments	–	–	–	–	–	6,863	–	–	–	–	–	(6,863)	–	–	–
<b>Total Cash Payments by Type</b>	<b>22,675</b>	<b>28,686</b>	<b>33,453</b>	<b>32,076</b>	<b>30,649</b>	<b>74,196</b>	<b>30,563</b>	<b>38,106</b>	<b>35,534</b>	<b>33,571</b>	<b>35,159</b>	<b>57,904</b>	<b>452,574</b>	<b>485,717</b>	<b>510,448</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>34,571</b>	<b>2,718</b>	<b>(20,246)</b>	<b>(16,799)</b>	<b>(5,145)</b>	<b>40,939</b>	<b>(19,411)</b>	<b>(26,472)</b>	<b>47,209</b>	<b>(21,409)</b>	<b>(22,251)</b>	<b>8,366</b>	<b>2,071</b>	<b>4,933</b>	<b>17,044</b>
Cash/cash equivalents at the month/year beginning:	6,194	40,765	43,483	23,238	6,438	1,294	42,233	22,822	(3,650)	43,559	22,150	(101)	6,194	8,265	13,198
Cash/cash equivalents at the month/year end:	40,765	43,483	23,238	6,438	1,294	42,233	22,822	(3,650)	43,559	22,150	(101)	8,265	8,265	13,198	30,242



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 R11, 110 million and the total cash payment for the month were R11, 152 million and this resulted in net decrease in cash held amounting to R19, 411 million. In addition, with cash and cash equivalent of R42, 233 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R22, 822 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC 12 Capital Expenditure Trend

Month	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
<b>Monthly expenditure performance trend</b>									
July	935	6,722		2,977	2,977	6,722	3,745	56%	4%
August	3,028	9,189		1,635	4,612	15,911	11,300	71%	6%
September	13,273	11,637		11,090	15,702	27,548	11,847	43%	21%
October	3,283	9,283		6,418	22,119	36,831	14,712	40%	29%
November	9,287	8,482		6,413	28,532	45,313	16,780	37%	38%
December	14,916	8,697		9,987	38,519	54,010	15,491	29%	51%
January	7,885	3,979		1,705	40,225	57,989	17,764	31%	53%
February	3,644	6,249				64,237	–		
March	8,166	5,136				69,373	–		
April	11,457	2,938				72,311	–		
May	18,986	2,052				74,364	–		
June	13,201	1,505				75,869	–		
<b>Total Capital expenditure</b>	<b>108,060</b>	<b>75,869</b>	<b>–</b>	<b>40,225</b>					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of January amounts to R1, 705 million. The year to date capital budget is R57, 989 million that give rise to under spending variance of R17, 764 million or 31%.

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	48,394	32,150	–	76	18,442	23,929	5,487	23%	32,150
<b>Roads Infrastructure</b>	35,070	21,283	–	76	11,599	18,081	6,482	36%	21,283
Roads	35,070	21,283		76	11,599	18,081	6,482	36%	21,283
Road Furniture							–		
Capital Spares							–		
Storm water Infrastructure	–	–	–	–	–	–	–		–
Drainage Collection							–		
<b>Electrical Infrastructure</b>	13,324	10,868	–	–	6,843	5,848	(995)	-17%	10,868
HV Switching Station							–		
HV Transmission Conductors	13,324	10,868		–	6,843	5,848	(995)	-17%	10,868
MV Substations							–		
MV Networks							–		
<b>Solid Waste Infrastructure</b>	–	–	–	–	–	–	–		–
Landfill Sites							–		
Waste Transfer Stations							–		
Waste Processing Facilities							–		
<b>Community Assets</b>	300	–	–	–	–	–	–		–
Community Facilities	300	–	–	–	–	–	–		–
Libraries							–		
Cemeteries/Crematoria	300	–	–	–	–	–	–		–
Police							–		
<b>Other assets</b>	–	4,447	–	1,471	2,804	3,082	278	9%	4,447
Operational Buildings	–	4,447	–	1,471	2,804	3,082	278	9%	4,447
Municipal Offices	–	4,447		1,471	2,804	3,082	278	9%	4,447
Building Plan Offices							–		
Workshops							–		
<b>Intangible Assets</b>	–	–	–	–	–	–	–		–
Servitudes							–		
Licences and Rights	–	–	–	–	–	–	–		–
Water Rights							–		
Load Settlement Software Applications							–		
<b>Computer Equipment</b>	800	500	–	158	553	235	(318)	-135%	500
Computer Equipment	800	500		158	553	235	(318)	-135%	500
<b>Furniture and Office Equipment</b>	500	400	–	–	29	100	71	71%	400
Furniture and Office Equipment	500	400		–	29	100	71	71%	400
<b>Machinery and Equipment</b>	1,200	1,300	–	–	76	1,070	994	93%	1,300
Machinery and Equipment	1,200	1,300		–	76	1,070	994	93%	1,300
<b>Transport Assets</b>	–	–	–	–	–	–	–		–
Transport Assets	–	–	–	–	–	–	–		–
<b>Total Capital Expenditure on new assets</b>	<b>51,194</b>	<b>38,798</b>	<b>–</b>	<b>1,705</b>	<b>21,903</b>	<b>28,416</b>	<b>6,513</b>	<b>23%</b>	<b>38,798</b>

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on renewal of existing assets</b>									
<b>Infrastructure</b>	41,914	33,550	-	-	18,321	26,772	8,451	32%	33,550
<b>Roads Infrastructure</b>	41,914	33,550	-	-	18,321	26,772	8,451	32%	33,550
Roads	41,414	33,550		-	18,321	26,772	8,451	32%	33,550
Road Structures							-		
Road Furniture	500	-		-	-	-	-		-
Storm water Infrastructure	-	-		-	-	-	-		-
<b>Electrical Infrastructure</b>	-	-		-	-	-	-		-
Power Plants							-		
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
<b>Solid Waste Infrastructure</b>	-	-		-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
<b>Community Assets</b>	-	522		-	-	350	350	100%	522
Community Facilities	-	522		-	-	350	350	100%	522
Testing Stations							-		
Libraries							-		
Cemeteries/Crematoria	-	522		-	-	350	350	100%	522
Police							-		
<b>Sport and Recreation Facilities</b>	-	-		-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
<b>Other assets</b>	500	-		-	-	-	-		-
Operational Buildings	500	-		-	-	-	-		-
Municipal Offices	500	-		-	-	-	-		-
Workshops							-		
<b>Intangible Assets</b>	-	-		-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-		-	-	-	-		-
Computer Software and Applications							-		
<b>Computer Equipment</b>	-	-		-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-		-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	-	-		-	-	-	-		-
Machinery and Equipment							-		
<b>Transport Assets</b>	-	-		-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on renewal of existing assets</b>	42,414	34,071		-	18,321	27,122	8,801	32%	34,071

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Repairs and maintenance expenditure</b>									
<b>Infrastructure</b>	7,850	10,400	-	24	2,800	5,541	2,741	49%	10,400
<b>Roads Infrastructure</b>	2,650	4,000	-	-	1,096	2,300	1,204	52%	4,000
Roads	2,650	4,000		-	1,096	2,300	1,204	52%	4,000
Road Structures							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	1,900	3,000	-	23	670	1,260	590	47%	3,000
HV Substations							-		
HV Switching Station							-		
MV Networks	1,800	3,000		23	670	1,260	590	47%	3,000
Capital Spares	100	-		-		-	-		-
<b>Solid Waste Infrastructure</b>	3,300	3,400	-	1	1,034	1,981	947	48%	3,400
Landfill Sites	3,150	3,400		1	1,034	1,981	947	48%	3,400
Waste Transfer Stations							-		
<b>Other assets</b>	1,325	2,000	-	47	249	1,100	851	77%	2,000
Operational Buildings	1,325	2,000	-	47	249	1,100	851	77%	2,000
Municipal Offices	1,325	2,000		47	249	1,100	851	77%	2,000
Workshops							-		
Yards							-		
Stores							-		
<b>Intangible Assets</b>	100	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	100	-	-	-	-	-	-		-
Solid Waste Licenses							-		
Computer Software and Applications	100	-	-	-	-	-	-		-
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	2,118	3,550	-	458	1,219	1,974	755	38%	3,550
Machinery and Equipment	2,118	3,550		458	1,219	1,974	755	38%	3,550
<b>Transport Assets</b>	1,300	2,000	-	67	547	1,400	853	61%	2,000
Transport Assets	1,300	2,000		67	547	1,400	853	61%	2,000
<b>Total Repairs and Maintenance Expenditure</b>	12,693	17,950	-	597	4,815	10,015	5,199	52%	17,950

## Supporting Table: SC 13(d) Depreciation and asset impairment

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>45,835</b>	<b>34,653</b>	<b>-</b>	<b>-</b>	<b>16,139</b>	<b>16,375</b>	<b>236</b>	<b>1%</b>	<b>34,653</b>
<b>Roads Infrastructure</b>	<b>25,298</b>	<b>25,147</b>	<b>-</b>	<b>-</b>	<b>13,116</b>	<b>12,000</b>	<b>(1,116)</b>	<b>-9%</b>	<b>25,147</b>
Roads	25,298	25,147		-	13,116	12,000	(1,116)	-9%	25,147
Road Structures						-	-		
Capital Spares									
<b>Storm water Infrastructure</b>	<b>5,746</b>	<b>3,712</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,728</b>	<b>1,728</b>	<b>100%</b>	<b>3,712</b>
Storm water Conveyance	5,746	3,712		-	-	1,728	1,728	100%	3,712
Attenuation							-		
<b>Electrical Infrastructure</b>	<b>12,398</b>	<b>5,166</b>	<b>-</b>	<b>-</b>	<b>2,694</b>	<b>2,364</b>	<b>(331)</b>	<b>-14%</b>	<b>5,166</b>
HV Switching Station							-		
HV Transmission Conductors	12,398	5,166		-	2,694	2,364	(331)	-14%	5,166
MV Substations							-		
MV Switching Stations							-		
MV Networks							-		
<b>Solid Waste Infrastructure</b>	<b>2,392</b>	<b>629</b>	<b>-</b>	<b>-</b>	<b>328</b>	<b>283</b>	<b>(45)</b>	<b>-16%</b>	<b>629</b>
Landfill Sites	2,392	629		-	328	283	(45)	-16%	629
Waste Transfer Stations							-		
<b>Community Assets</b>	<b>2,231</b>	<b>2,918</b>	<b>-</b>	<b>-</b>	<b>1,522</b>	<b>1,433</b>	<b>(89)</b>	<b>-6%</b>	<b>2,918</b>
Community Facilities	2,231	2,918		-	1,522	1,433	(89)	-6%	2,918
Testing Stations							-		
Libraries							-		
<b>Cemeteries/Crematoria</b>	<b>2,231</b>	<b>2,918</b>	<b>-</b>	<b>-</b>	<b>1,522</b>	<b>1,433</b>	<b>(89)</b>	<b>-6%</b>	<b>2,918</b>
Other assets	120	2,180		-	1,137	980	(157)	-16%	2,180
Operational Buildings	120	2,180		-	1,137	980	(157)	-16%	2,180
Municipal Offices	120	2,180		-	1,137	980	(157)	-16%	2,180
Workshops							-		
<b>Intangible Assets</b>	<b>-</b>	<b>378</b>	<b>-</b>	<b>-</b>	<b>197</b>	<b>170</b>	<b>(27)</b>	<b>-16%</b>	<b>378</b>
Servitudes							-		
Licences and Rights	-	378		-	197	170	(27)	-16%	378
Solid Waste Licenses							-		
Computer Software and Applications		378		-	197	170	(27)	-16%	378
<b>Computer Equipment</b>	<b>21</b>	<b>1,518</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>824</b>	<b>824</b>	<b>100%</b>	<b>1,518</b>
Computer Equipment	21	1,518		-	-	824	824	100%	1,518
<b>Furniture and Office Equipment</b>	<b>26</b>	<b>3,817</b>	<b>-</b>	<b>-</b>	<b>1,991</b>	<b>1,804</b>	<b>(187)</b>	<b>-10%</b>	<b>3,817</b>
Furniture and Office Equipment	26	3,817		-	1,991	1,804	(187)	-10%	3,817
<b>Machinery and Equipment</b>	<b>2,080</b>	<b>2,175</b>	<b>-</b>	<b>-</b>	<b>3,070</b>	<b>978</b>	<b>(2,092)</b>	<b>-214%</b>	<b>2,175</b>
Machinery and Equipment	2,080	2,175		-	3,070	978	(2,092)	-214%	2,175
<b>Transport Assets</b>	<b>888</b>	<b>3,542</b>	<b>-</b>	<b>-</b>	<b>1,848</b>	<b>1,593</b>	<b>(255)</b>	<b>-16%</b>	<b>3,542</b>
Transport Assets	888	3,542		-	1,848	1,593	(255)	-16%	3,542
<b>Total Depreciation</b>	<b>51,200</b>	<b>51,181</b>	<b>-</b>	<b>-</b>	<b>25,904</b>	<b>24,157</b>	<b>(1,746)</b>	<b>-7%</b>	<b>51,181</b>

## Supporting Table: SC 13(e) Capital Expenditure on upgrading of Existing Assets

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on upgrading of existing assets</b>									
<b>Infrastructure</b>	-	3,000	-	-	-	2,450	2,450	100%	3,000
<b>Roads Infrastructure</b>	-	-	-	-	-	-	-		-
Roads							-		
Road Structures							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-		-
HV Substations							-		
HV Transmission Conductors							-		
MV Switching Stations							-		
MV Networks							-		
<b>Solid Waste Infrastructure</b>	-	3,000	-	-	-	2,450	2,450	100%	3,000
Landfill Sites							-		
Waste Transfer Stations							-		
Waste Processing Facilities		3,000				2,450	2,450	100%	3,000
<b>Community Assets</b>	8,079	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Halls							-		
Libraries							-		
Cemeteries/Crematoria							-		
<b>Sport and Recreation Facilities</b>	8,079	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities	8,079						-		
<b>Other assets</b>	1,437	-	-	-	-	-	-		-
Operational Buildings	1,437	-	-	-	-	-	-		-
Municipal Offices							-		
Workshops	1,437						-		
Training Centres							-		
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>9,515</b>	<b>3,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,450</b>	<b>2,450</b>	<b>100%</b>	<b>3,000</b>

Supporting table SC13a, SC13b and SC13e 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 and Table SC13d presents expenditure on depreciation and asset impairment. These tables present the capital programme, and assets management and performance of the Municipality.

The total expenditure for new capital projects amounts to R21, 903 million and the year to date budget is R28, 416 million that reflects under spending variance of R6, 513 million that translates to 22.9% variance. The year to date actuals on renewal of existing assets amounts R18, 321 million and with the year to date budget of R27, 122 million and this reflects under spending variance of R 8, 801 million that translates to 32.4% variance.

The year to date actual expenditure on repairs and maintenance is R4, 815 million and the year to date budget is R10, 015 million, reflecting under spending variance of R5, 199 million that translates to 51.9%.

The year to date actual expenditure on upgrading of existing assets is R 0 million and the year to date budget is R, 450 million, reflecting spending variance of R2, 450 million that translates to 100%.

The year to date actual expenditure on depreciation and asset impairment is R25, 904 million and the year to date budget is R24, 157 million, reflecting over spending variance of R1, 746 million that translates to 7% which means the integration between Asset management system and core financial system is done bi-annually and this is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is complying with some of mSCOA requirements.

## Quality certificate

I, **Meshack Kgwale**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of January 2019 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature .....

Date 2019/02/15 .....

**Elias Motsoaledi Local  
Municipality**  
15 FEB 2019  
**Municipal Manager**