

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

JULY 2019

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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 July or and relevant Provincial Treasury, the monthly budget statement in the prescribed format on the state of the municipality's financial results. It must be noted that 2018-19 financial year amounts are not yet audited.

IN YEAR BUDGET STATEMENT TABLES

SUMMARY OF BUDGET AND ACTUALS				
DESCRIPTION	2019/20			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUALS	PERCENTAGE
OPERATING REVENUE	500 884 685	-	125 461 482	25%
OPERATING EXPENDITURE	482 591 369	-	27 908 318	6%
TRANSFER - CAPITAL	73 921 000	-	1 421 344	2%
SURPLUS/DEFICIT	18 293 316	-	97 553 164	533%
CAPITAL EXPENDITURE	95 653 510	-	1 112 356	1%

Table C1 – Budget Statement Summary

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	33,010	34,727	–	2,925	2,925	2,894	31	1%	34,727
Service charges	89,925	101,507	–	7,602	7,608	8,402	(795)	-9%	101,507
Investment revenue	2,800	2,946	–	425	425	142	283	199%	2,946
Transfers and subsidies	245,278	272,618	–	112,432	112,432	101,196	11,236	11%	–
Other own revenue	84,683	89,087	–	2,069	2,072	9,749	(7,677)	-79%	361,705
Total Revenue (excluding capital transfers and contributions)	455,697	500,885	–	125,453	125,461	122,383	3,078	3%	500,885
Employee costs	130,473	147,530	–	11,243	11,243	11,870	(627)	-5%	147,530
Remuneration of Councillors	24,291	25,554	–	1,936	1,936	2,130	(194)	-9%	25,554
Depreciation & asset impairment	51,181	56,520	–	–	–	4,710	(4,710)	-100%	56,520
Finance charges	2,900	2,505	–	–	–	209	(209)	-100%	2,505
Materials and bulk purchases	78,909	94,531	–	375	375	11,938	(11,563)	-97%	94,531
Transfers and subsidies	3,580	3,740	–	217	217	440	(223)	-51%	3,740
Other expenditure	157,835	152,210	–	14,138	14,138	14,703	(566)	-4%	152,210
Total Expenditure	449,169	482,591	–	27,908	27,908	46,000	(18,091)	-39%	482,591
Surplus/(Deficit)	6,528	18,293	–	97,544	97,553	76,384	21,170	28%	18,293
Transfers and subsidies - capital (monetary allocations)	94,050	73,921	–	1,421	1,421	30,600	(29,179)	-95%	73,921
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	100,578	92,214	–	98,966	98,975	106,984	(8,009)	-7%	92,214
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	100,578	92,214	–	98,966	98,975	106,984	(8,009)	-7%	92,214
Capital expenditure & funds sources									
Capital expenditure	97,258	95,654	–	1,112	1,112	9,466	(8,353)	-88%	95,654
Capital transfers recognised	81,841	73,921	–	1,112	1,112	7,717	(6,605)	-86%	73,921
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	15,417	21,733	–	–	–	1,748	(1,748)	-100%	21,733
Total sources of capital funds	97,258	95,654	–	1,112	1,112	9,466	(8,353)	-88%	95,654
Financial position									
Total current assets	211,349	115,014	–	–	373,697	–	–	–	115,014
Total non current assets	1,053,184	1,123,066	–	–	1,103,500	–	–	–	1,123,066
Total current liabilities	140,539	81,128	–	–	206,609	–	–	–	81,128
Total non current liabilities	121,097	103,696	–	–	116,250	–	–	–	103,696
Community wealth/Equity	1,002,897	1,053,256	–	–	1,154,337	–	–	–	1,053,256
Cash flows									
Net cash from (used) operating	118,137	102,851	–	88,993	88,993	116,702	27,709	24%	102,851
Net cash from (used) investing	(44,880)	(88,001)	–	(1,421)	(1,421)	(2,257)	(835)	37%	(88,001)
Net cash from (used) financing	(9,023)	(10,086)	–	(698)	(698)	(890)	(192)	22%	(10,086)
Cash/cash equivalents at the month/year end	70,428	29,037	–	–	109,296	137,828	28,532	21%	27,187
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90	91-120 Days	121-150 Dys	151-180	181 Dys-1	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	11,999	7,685	1,675	2,079	1,899	2,157	11,003	44,660	83,157
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 July is R125, 461 million and the year to date budget of R122, 383 million and this reflects a positive variance of R3, 078 million which is mostly attributable to equitable shares received amounting to R112 087 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 199% favorable variance,
- Interest earned – outstanding debtors: 159% favorable variance,
- Rental on Facilities and Equipment: 9% favorable variance,

- Fines, penalties and forfeits: 95% unfavorable variance
- Transfer and Subsidies: 11% favorable variance
- Services Charges – electricity revenue: -13% unfavorable variance
- Services Charges – refuse revenue: 68% favorable variance
- Licenses and permits: 395% favorable variance
- Property rates: 1% favorable variance
- Other revenue: 102% favorable

Operating Expenditure

The year to date operational expenditure as at end of July amounts to R27, 908 million and the year to date budget is R46, 000 million. This reflects underspending variance of R18, 091 million that translates to 39% variance. The variance is attributed underspending variance on depreciation and asset impairment and debt impairment that the municipality is still facing a challenge regarding the computation of monthly movement of the two accounts.

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: 100% under performance variance,
- Other Materials: 97% under performance
- Bulk purchase: 99% under performance
- Depreciation and asset impairment: 100% under performance variance
- Debt impairment: 100% under performance variance
- Transfers and subsidies: 51% under performance variance
- Other expenditure: 68% over performance
- Contracted services: 26% over performance

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 July 2019 amounts to R1, 112 million and the year to date budget amounts to R9, 466 million and this gives rise to R8, 353 million under performance. The procurement plans have been developed however, they are not fully implemented. These procurement plans were intended to guide the spending pattern on capital projects and partial implementation thereof makes it difficult to forecast the cash flow projections.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month of July is R96, 132 million that is mainly attributed under performance on capital and operating expenditure in the reporting period.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of July amounts to R83, 157 million and this shows an increase of R3, 048 million as compared to R80, 108 million as at end of 2018/19 financial year.

Consumer debtors is made up of service charges and property rates that amount to R58, 280 million and other debtors amounting to R24, 877 million. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, they do not form part of consumer debtors.

Creditors

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

Table C2 – Financial Performance (Standard Classification)

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	198,283	214,636	-	73,560	73,560	68,350	5,209	8%	214,636
Executive and council	42,873	46,559	-	21,332	21,332	17,128	4,204	25%	46,559
Finance and administration	147,508	159,127	-	48,935	48,935	47,930	1,005	2%	159,127
Internal audit	7,902	8,950	-	3,292	3,292	3,292	0	0%	8,950
Community and public safety	88,850	94,968	-	9,159	9,161	16,899	(7,739)	-46%	94,968
Community and social services	7,973	9,026	-	3,306	3,306	3,302	4	0%	9,026
Sport and recreation	10,677	12,092	-	5,365	5,365	4,443	922	21%	12,092
Public safety	70,200	73,850	-	488	489	9,154	(8,665)	-95%	73,850
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	141,810	117,004	-	25,316	25,317	44,761	(19,444)	-43%	117,004
Planning and development	17,107	21,564	-	7,376	7,376	7,235	141	2%	21,564
Road transport	123,685	94,287	-	17,516	17,517	37,102	(19,585)	-53%	94,287
Environmental protection	1,018	1,153	-	424	424	424	0	0%	1,153
Trading services	120,804	148,197	-	18,840	18,846	22,973	(4,127)	-18%	148,197
Energy sources	102,039	119,623	-	9,901	9,907	15,295	(5,388)	-35%	119,623
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	18,765	28,574	-	8,939	8,939	7,678	1,261	16%	28,574
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	549,746	574,806	-	126,874	126,883	152,983	(26,100)	-17%	574,806
Expenditure - Functional									
Governance and administration	184,555	191,835	-	19,863	19,863	18,576	1,287	7%	191,835
Executive and council	39,998	41,658	-	5,012	5,012	3,594	1,419	39%	41,658
Finance and administration	135,446	141,488	-	14,224	14,224	14,254	(31)	0%	141,488
Internal audit	9,111	8,689	-	628	628	728	(101)	-14%	8,689
Community and public safety	68,557	76,535	-	2,387	2,387	6,530	(4,143)	-63%	76,535
Community and social services	5,563	7,457	-	372	372	588	(217)	-37%	7,457
Sport and recreation	9,713	11,037	-	469	469	929	(461)	-50%	11,037
Public safety	53,281	58,041	-	1,546	1,546	5,012	(3,466)	-69%	58,041
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	79,856	87,675	-	3,191	3,191	8,944	(5,754)	-64%	87,675
Planning and development	15,813	17,147	-	1,062	1,062	1,385	(323)	-23%	17,147
Road transport	63,315	69,685	-	2,084	2,084	7,496	(5,412)	-72%	69,685
Environmental protection	728	843	-	45	45	63	(18)	-29%	843
Trading services	116,200	126,546	-	2,468	2,468	11,949	(9,481)	-79%	126,546
Energy sources	92,646	99,370	-	528	528	9,660	(9,132)	-95%	99,370
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	23,554	27,177	-	1,939	1,939	2,289	(350)	-15%	27,177
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	449,169	482,591	-	27,908	27,908	46,000	(18,091)	-39%	482,591
Surplus/ (Deficit) for the year	100,578	92,214	-	98,966	98,975	106,984	(8,009)	-7%	92,214

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

Vote Description	2018/19	Budget Year 2019/20							
	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	38,168	46,559	–	19,168	19,168	15,168	4,000	26%	46,559
Vote 2 - Municipal Manager	31,469	35,643	–	13,316	13,316	13,112	204	2%	35,643
Vote 3 - Budget & Treasury	59,272	64,188	–	12,000	12,000	13,008	(1,008)	-8%	64,188
Vote 4 - Corporate Services	39,931	40,227	–	14,808	14,808	14,795	13	0%	40,227
Vote 5 - Community Services	120,478	132,693	–	18,573	18,575	26,027	(7,452)	-29%	132,693
Vote 6 - Technical Services	233,051	227,629	–	36,930	36,938	59,360	(22,422)	-38%	227,629
Vote 7 - Developmental Planning	11,282	14,966	–	4,948	4,948	4,808	141	3%	14,966
Vote 8 - Executive Support	16,094	18,229	–	6,706	6,706	6,706	0	0%	18,229
Total Revenue by Vote	549,746	580,134	–	126,450	126,459	152,983	(26,525)	-17%	580,134
Expenditure by Vote									
Vote 1 - Executive & Council	35,307	36,873	–	4,730	4,730	3,194	1,536	48%	36,873
Vote 2 - Municipal Manager	37,306	35,065	–	5,099	5,099	3,256	1,844	57%	35,065
Vote 3 - Budget & Treasury	51,072	52,917	–	6,618	6,618	5,825	793	14%	52,917
Vote 4 - Corporate Services	30,600	36,814	–	1,409	1,409	3,326	(1,917)	-58%	36,814
Vote 5 - Community Services	100,333	112,427	–	4,910	4,910	9,501	(4,591)	-48%	112,427
Vote 6 - Technical Services	167,702	181,124	–	3,183	3,183	18,866	(15,683)	-83%	181,124
Vote 7 - Developmental Planning	9,977	13,185	–	601	601	1,002	(401)	-40%	13,185
Vote 8 - Executive Support	14,187	15,088	–	–	–	1,029	(1,029)	-100%	15,088
Total Expenditure by Vote	446,483	483,492	–	26,550	26,550	46,000	(19,449)	-42%	483,492
Surplus/ (Deficit) for the year	103,263	96,642	–	99,899	99,908	106,984	(7,075)	-7%	96,642

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	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	33,010	34,727		2,925	2,925	2,894	31	1%	34,727
Service charges - electricity revenue	81,798	92,957		6,910	6,916	7,990	(1,074)	-13%	92,957
Service charges - water revenue							-		
Service charges - sanitation revenue							-		
Service charges - refuse revenue	8,127	8,550		692	692	412	280	68%	8,550
Rental of facilities and equipment	1,000	1,052		96	96	88	8	9%	1,052
Interest earned - external investments	2,800	2,946		425	425	142	283	199%	2,946
Interest earned - outstanding debtors	6,692	7,040		851	851	329	522	159%	7,040
Dividends received							-		
Fines, penalties and forfeits	70,209	73,860		488	489	9,157	(8,667)	-95%	73,860
Licences and permits	5,200	5,470		475	475	96	379	395%	5,470
Agency services							-		
Transfers and subsidies	245,278	272,618		112,432	112,432	101,196	11,236	11%	
Other revenue	1,582	1,664		160	161	80	81	102%	272,618
Gains on disposal of PPE	-	-		-	-	-	-		1,664
Total Revenue (excluding capital transfers and contributions)	455,697	500,885	-	125,453	125,461	122,383	3,078	3%	500,885
Expenditure By Type									
Employee related costs	130,473	147,530		11,243	11,243	11,870	(627)	-5%	147,530
Remuneration of councillors	24,291	25,554		1,936	1,936	2,130	(194)	-9%	25,554
Debt impairment	55,000	57,860		-	-	4,822	(4,822)	-100%	57,860
Depreciation & asset impairment	51,181	56,520		-	-	4,710	(4,710)	-100%	56,520
Finance charges	2,900	2,505		-	-	209	(209)	-100%	2,505
Bulk purchases	70,000	80,941		85	85	7,745	(7,660)	-99%	80,941
Other materials	8,909	13,590		289	289	4,193	(3,903)	-93%	13,590
Contracted services	59,841	53,788		7,339	7,339	5,837	1,501	26%	53,788
Transfers and subsidies	3,580	3,740		217	217	440	(223)	-51%	3,740
Other expenditure	42,994	40,562		6,799	6,799	4,044	2,755	68%	40,562
Loss on disposal of PPE	-	(0)		-	-	-	-		(0)
Total Expenditure	449,169	482,591	-	27,908	27,908	46,000	(18,091)	-39%	482,591
Surplus/(Deficit)	6,528	18,293	-	97,544	97,553	76,384	21,170	28%	18,293
Transfers and subsidies - capital (monetary allocations)	94,050	73,921		1,421	1,421	30,600	(29,179)	-95%	73,921
Transfers and subsidies - capital (monetary allocations)							-		
Transfers and subsidies - capital (in-kind - all)							-		
Surplus/(Deficit) after capital transfers & contributions	100,578	92,214	-	98,966	98,975	106,984			92,214
Taxation									
Surplus/(Deficit) after taxation	100,578	92,214	-	98,966	98,975	106,984			92,214
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	100,578	92,214	-	98,966	98,975	106,984			92,214
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	100,578	92,214	-	98,966	98,975	106,984		-	92,214

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections are on property rates, service charges – electricity, refuse, rental of facilities and equipment, interest earned – external investments, interest on outstanding debtors, fines, penalties and forfeits, licenses and permits and other revenue.

In the case of expenditure, the following line items reflect material variance; Remuneration of councilors, Bulk purchases, other expenditure, debt impairment, depreciation and asset impairment, finance charges, employee related costs, other materials, and transfer and subsidies.

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

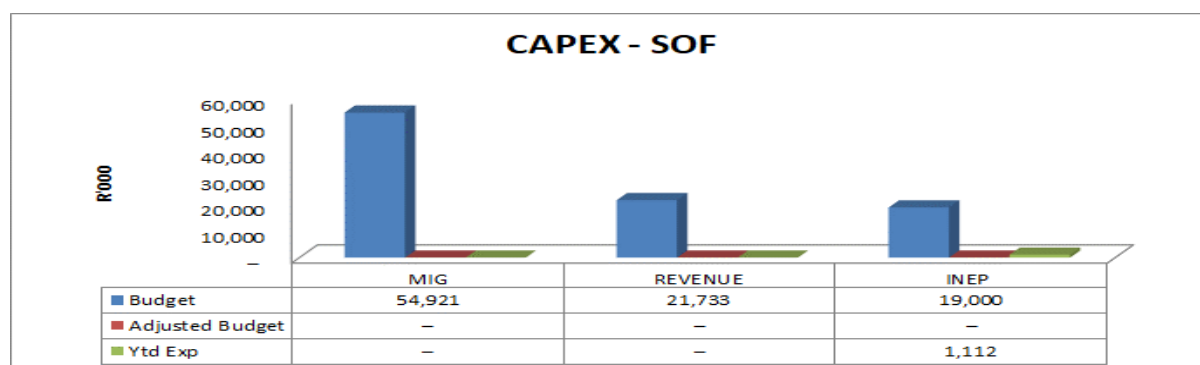
Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	2,200	900	-	-	-	160	(160)	-100%	900
Executive and council							-		
Finance and administration	2,200	900		-	-	160	(160)	-100%	900
Internal audit							-		
Community and public safety	522	500	-	-	-	-	-		500
Community and social services	522	500				-	-		500
Sport and recreation							-		
Public safety							-		
Housing							-		
Health							-		
Economic and environmental services	79,449	72,906	-	-	-	6,570	(6,570)	-100%	72,906
Planning and development							-		
Road transport	79,449	72,906		-	-	6,570	(6,570)	-100%	72,906
Environmental protection							-		
Trading services	15,087	21,348	-	1,112	1,112	2,736	(1,623)	-59%	21,348
Energy sources	13,487	19,522		1,112	1,112	2,388	(1,275)	-53%	19,522
Water management							-		
Waste water management							-		
Waste management	1,600	1,826				348	(348)	-100%	1,826
Other							-		
Total Capital Expenditure - Functional Classification	97,258	95,654	-	1,112	1,112	9,466	(8,353)	-88%	95,654
Funded by:									
National Government	62,910	73,921		1,112	1,112	7,717	(6,605)	-86%	73,921
Provincial Government	18,931	-					-		
District Municipality							-		
Other transfers and grants							-		
Transfers recognised - capital	81,841	73,921	-	1,112	1,112	7,717	(6,605)	-86%	73,921
Borrowing							-		
Internally generated funds	15,417	21,733				1,748	(1,748)	-100%	21,733
Total Capital Funding	97,258	95,654	-	1,112	1,112	9,466	(8,353)	-88%	95,654

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2018/19	Budget Year 2019/20							
	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 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,400	-	-	-	-	-	-	-	-
Vote 5 - Community Services	1,600	-	-	-	-	-	-	-	-
Vote 6 - Technical Services	25,714	50,583	-	1,112	1,112	8,275	(7,162)	-87%	50,583
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	28,714	50,583	-	1,112	1,112	8,275	(7,162)	-87%	50,583
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	800	900	-	-	-	160	(160)	-100%	900
Vote 5 - Community Services	522	2,326	-	-	-	348	(348)	-100%	2,326
Vote 6 - Technical Services	67,222	41,845	-	-	-	683	(683)	-100%	41,845
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	68,544	45,071	-	-	-	1,191	(1,191)	-100%	45,071
Total Capital Expenditure	97,258	95,654	-	1,112	1,112	9,466	(8,353)	-88%	95,654

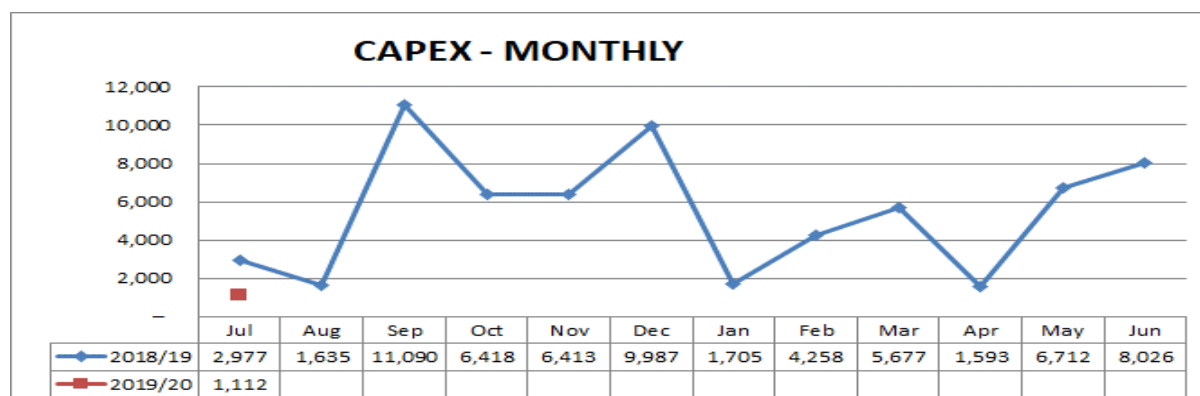
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of July 2019, R1, 112 million spending was incurred and that increased the year to date expenditure to R1, 112 million whilst the year to date budget is R9, 466 million and this gave rise to under spending variance of R8, 353 million that translates to 88%.

Figure 1: Capital expenditure by source



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R95, 654 million, R54, 921 million is funded from Municipal Infrastructure grant, R19, 000 million from Integrated National Electrification Programme and R21, 733 million from own revenue and the spending per source of finance is presented in the above graph.

Figure 2: Monthly capital expenditure



The above graph compares the 2018/19 and 2019/20 monthly capital expenditure performance.

Table C6: Monthly Budget Statement Financial Position

Description	2018/19	Budget Year 2019/20			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	3,136	4,882		15,141	4,882
Call investment deposits	67,292	24,155		94,155	24,155
Consumer debtors	45,009	41,950		83,157	41,950
Other debtors	89,584	40,727		175,045	40,727
Current portion of long-term receivables	–	–		–	–
Inventory	6,328	3,300		6,199	3,300
Total current assets	211,349	115,014	–	373,697	115,014
Non current assets					
Long-term receivables	–	–			–
Investments	–	–			–
Investment property	54,139	53,739		54,139	53,739
Investments in Associate	–	–			–
Property, plant and equipment	997,723	1,055,765		1,048,124	1,055,765
Biological					
Intangible	85	85		0	85
Other non-current assets	1,237	13,476		1,237	13,476
Total non current assets	1,053,184	1,123,066	–	1,103,500	1,123,066
TOTAL ASSETS	1,264,533	1,238,080	–	1,477,197	1,238,080
LIABILITIES					
Current liabilities					
Bank overdraft	–	–			–
Borrowing	5,002	9,686		4,261	9,686
Consumer deposits	5,373	4,860		5,442	4,860
Trade and other payables	126,449	60,924		189,192	60,924
Provisions	3,715	5,658		7,714	5,658
Total current liabilities	140,539	81,128	–	206,609	81,128
Non current liabilities					
Borrowing	23,097	13,554		22,369	13,554
Provisions	98,000	90,142		93,881	90,142
Total non current liabilities	121,097	103,696	–	116,250	103,696
TOTAL LIABILITIES	261,637	184,824	–	322,859	184,824
NET ASSETS	1,002,897	1,053,256	–	1,154,337	1,053,256
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1,002,897	1,053,256		1,154,337	1,053,256
Reserves	–	–		–	–
TOTAL COMMUNITY WEALTH/EQUITY	1,002,897	1,053,256	–	1,154,337	1,053,256

The above table shows that community wealth amounts to R1, 154 billion, total liabilities R322, 859 million and the total assets R1, 477 billion. Non-current liabilities are mainly made up of borrowing and provisions for long service award, landfill site. Taking the current liabilities and current assets together, the municipality has current ratio of 1,8:1 that is slightly above the norm of 1. The municipality still needs to reduce the current liabilities and increase the current assets to strengthen the liquidity ratio.

Table C7: Monthly Budget Statement Cash Flow

Description	2018/19	Budget Year 2019/20							
	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									
Property rates	18,029	21,878		2,340	2,340	7,232	(4,892)	-68%	21,878
Service charges	69,861	91,398		6,026	6,026	5,246	780	15%	91,398
Other revenue	30,398	17,441		1,777	1,777	3,256	(1,480)	-45%	17,441
Government - operating	186,331	272,618		112,230	112,230	101,196	11,034	11%	272,618
Government - capital	93,601	73,921		30,967	30,967	25,462	5,505	22%	73,921
Interest	3,493	3,861		575	575	1,255	(679)	-54%	3,861
Dividends	-	-					-		-
Payments									
Suppliers and employees	(280,260)	(372,021)		(64,450)	(64,450)	(25,413)	39,037	-154%	(372,021)
Finance charges	(1,397)	(2,505)		(255)	(255)	(986)	(731)	74%	(2,505)
Transfers and Grants	(1,919)	(3,740)		(217)	(217)	(546)	(330)	60%	(3,740)
NET CASH FROM/(USED) OPERATING ACTIVITIES	118,137	102,851	-	88,993	88,993	116,702	27,709	24%	102,851
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	3,022	-		-	-	-	-		-
Decrease (Increase) in non-current debtors	-	-		-	-	-	-		-
Decrease (increase) other non-current receivables	150	-		-	-	-	-		-
Decrease (increase) in non-current investments	-	-		-	-	-	-		-
Payments									
Capital assets	(48,052)	(88,001)		(1,421)	(1,421)	(2,257)	(835)	37%	(88,001)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(44,880)	(88,001)	-	(1,421)	(1,421)	(2,257)	(835)	37%	(88,001)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-					-		-
Borrowing long term/refinancing	-	-					-		-
Increase (decrease) in consumer deposits	124	(400)		56	56	(26)	82	-319%	(400)
Payments									
Repayment of borrowing	(9,147)	(9,686)		(754)	(754)	(865)	(110)	13%	(9,686)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(9,023)	(10,086)	-	(698)	(698)	(890)	(192)	22%	(10,086)
NET INCREASE/ (DECREASE) IN CASH HELD	64,234	4,764	-	86,874	86,874	113,555			4,764
Cash/cash equivalents at beginning:	6,194	24,273			22,423	24,273			22,423
Cash/cash equivalents at month/year end:	70,428	29,037	-		109,296	137,828			27,187

Table C7 presents details pertaining to cash flow performance. As at end of July 2019, the net cash inflow from operating activities is R88, 993 million whilst net cash outflow from investing activities is R1, 421 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R698 million. The cash and cash equivalent held at end of July 2019 amounted to R109, 296 million and the net effect of the above cash flows is cash inflow movement of R86, 874 million. The cash and cash equivalent at end of the reporting period of R109, 296 million is made up of cash in the primary bank account amounting to R15, 141 million and short-term investments amounting to R94, 155 million.

PART 2: SUPPORTING TABLES

Supporting Table: SC 1 Material Variance Explanations

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source			
Service charges - electricity revenue	-13%	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	68%	The actual revenue generated in more than the projected monthly revenue	The budget will be adjusted upwards in the main adjustment budget
Interest earned - external investments	199%	The projected interest to be realised was underprojected	The budget will be adjusted upwards in the main adjustment budget
Interest earned - outstanding debtors	159%	The projected interest to be realised was underprojected	The budget will be adjusted upwards in the main adjustment budget
Fines, penalties and forfeits	-95%	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
Licences and permits	395%	The actual revenue generated in more than the projected monthly revenue	The budget will be adjusted upwards in the main adjustment budget
Transfers and subsidies	11%	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	102%	The actual revenue generated is more than the projected monthly revenue	The budget will be adjusted upwards in the main adjustment budget
Expenditure By Type			
Depreciation & asset impairment	-100%	Depreciation is still calculated at year end	Asset management system must be integrated with munsoft so that the monthly depreciation movement can be interfaced and reported on
Finance charges	-100%	Finance charges is mainly for finance lease and the leased invoices where received after System closure	The Invoices will be reflected on the following Month
Bulk purchases	-99%	The main Eskom bill was paid but not captured on munsoft	All processed invoices must be captured on munsoft before month end system closure
Other materials	-93%	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
Contracted services	26%	The actual expenditure incurred is more than the projected monthly expenditure	The Line item will be monitored at measure to cap the expenditure will be implemented
Transfers and subsidies	-51%	The actual expenditure incurred was less than the projected monthly expenditure	There might be downwards Expenditure adjustment should the account continue to underperform
Other expenditure	68%	The actual expenditure incurred is more than the projected monthly expenditure	The budget will be monitored for adjustment should the trend continue

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure			
National Government	-86%	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	-100%	Delay in procurement process as focus was put on grants funded projects	The departments with internally funded projects to accelerate the procurement process
Cash Flow			
Property rates	-68%	The collection rate on property rates is slightly below the projected rate	Finance department to strengthen the credit control measures in ensuring improved collection rate
Service charges	15%	The collection rate on service charges is above the projected rate	To review the projected collection rate during adjustment
Other revenue	-45%	The majority of tender documents (grants funded) for 2018/19 projects were sold in 2017/18 financial year	No remedial action is needed
Government - operating	11%	The first tranche of equitable share was higher than the projection thereof	No remedial action is needed as all budgeted grants have been gazetted
Government - capital	22%	The MIG grant was transferred earlier than the anticipated date	No remedial action is needed as all budgeted grants have been gazetted
Interest	-54%	Interest on Outstanding Debtors isn't as projected due to the under collection from debtors	Finance department to strengthen the credit control measures in ensuring improved collection rate
Suppliers and employees	-154%	2018/19 accrued creditors were only paid in July	No remedial action is needed
Finance charges	74%	Finance charges is mainly for finance lease and the leased invoices where not all received.	No remedial action is needed
Transfers and Grants	60%	The payments relating to this account where over projected for the Month of July	No remedial action is needed
Increase (decrease) in consumer deposits	-319%	Consumer deposits were significantly higher than the projection thereof	No remedial action is needed
Repayment of borrowing	13%	Projected repayments were higher than the actual Payment	No remedial action is needed

Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2019/20										Actual Bad Debts Written Off	Impairment - Bad Debts	
	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			
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water													
Trade and Other Receivables from Exchange Transactions - Electricity	6,807	1,352	200	103	69	86	319	2,759	11,695	3,337			
Receivables from Non-exchange Transactions - Property Rates	2,668	4,577	983	920	802	700	4,793	20,603	36,047	27,818			
Receivables from Exchange Transactions - Waste Water Management													
Receivables from Exchange Transactions - Waste Management	721	456	281	334	342	340	2,006	6,058	10,538	9,080			
Receivables from Exchange Transactions - Property Rental Debtors	93	208	4	4	4	(5)	73	793	1,173	869			
Interest on Arrear Debtor Accounts	892	825	831	784	747	723	3,847	15,023	23,673	21,124			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure													
Other	819	267	(625)	(67)	(66)	313	(35)	(576)	31	(431)			
Total By Income Source	11,999	7,685	1,675	2,079	1,899	2,157	11,003	44,660	83,157	61,797			
2018/19 - totals only	14,655	2,529	2,370	2,001	2,229	2,051	11,203	43,070	80,108	60,554			
Debtors Age Analysis By Customer Group													
Organs of State	1,686	1,550	548	499	432	440	2,375	9,866	17,397	13,612			
Commercial	5,463	1,438	(288)	250	132	75	1,288	6,808	15,167	8,554			
Households	4,007	2,103	997	954	923	1,234	5,015	17,573	32,807	25,699			
Other	843	2,594	417	374	412	408	2,325	10,413	17,786	13,932			
Total By Customer Group	11,999	7,685	1,675	2,079	1,899	2,157	11,003	44,660	83,157	61,797			

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of July amount to R83, 157 million. The debtors' book is made up as follows:

- Rates 43%
- Electricity 14%
- Rental 1%
- Refuse removal 13%
- Interest on Debtors 28%
- Other 0%

The debtors' age analysis is graphically presented below.

Figure 3: Debtors age analysis

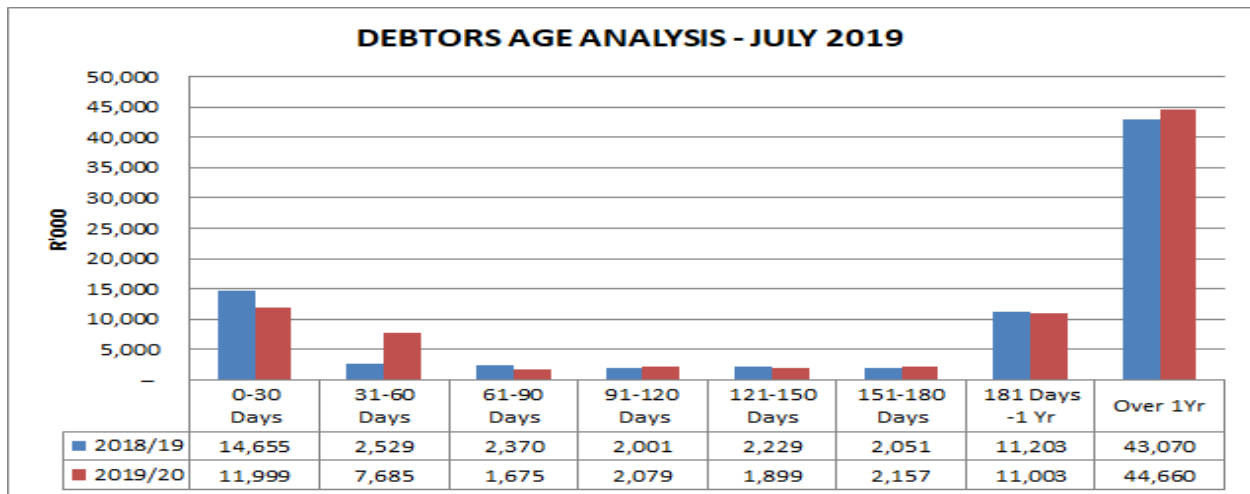
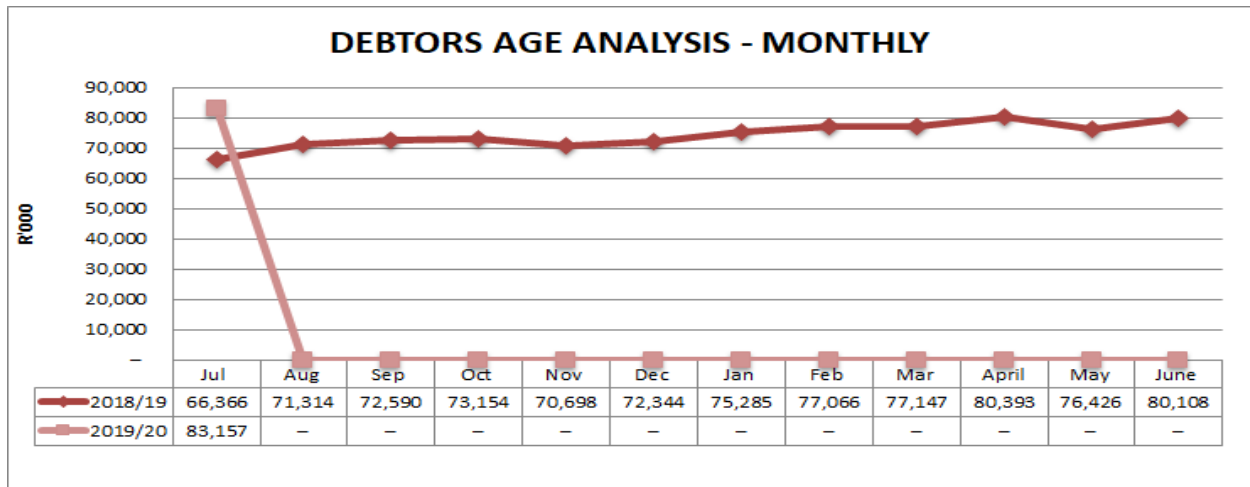


Figure 4: Monthly debtors book



The initial graph compares debtors' age analysis for 2018/19 financial year and 2019/20 (as at end of July 2019) whilst the latter shows monthly movement of debtors for both the current financial year and the 2018/19 financial year. The debtors book is materially less than the 2019/20 monthly figures and this is an indication that the municipality is not performing well in terms of collection.

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

TOP TWENTY DEBTORS

ACCOUNT NO	ACCOUNT HOLDER NAME	ACCOUNT	OUTSTANDING
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	892,437.04
9053280	LIMPOPO GOVERNMENT PROV(BEN VILJOEN)	ACTIVE	409,314.78
9005301	TWIN CITY TRADING PTY LTD 0000 PLUS 1 OTHER	ACTIVE	393,000.10
9900067	WATER PURIFICATION PLANT (SDM)	ACTIVE	293,145.45
9002065	GOVERNMENT OF KWANDEBELE	ACTIVE	246,692.93
5001708	UNITRADE 518 (PTY) LTD	ACTIVE	242,511.71
9002958	PROVINCIAL GOVERNMENT OF LIMPO	ACTIVE	238,508.86
1501364	JAN JOUBERT TR (JO JO TANKS)	ACTIVE	236,798.66
9002067	NATIONAL GOVERNMENT OF THE REP	ACTIVE	230,755.68
8012644	VODACOM (PTY) LTD	ACTIVE	227,310.79
2200702	NAMIB FAMILY TRUST	ACTIVE	209,391.20
207447	CHOPPIES GROBLERSDAL	ACTIVE	192,977.42
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	192,107.37
5002109	VAN AARD FJ(MAPOCHH	ACTIVE	183,357.15
9002387	NATIONAL GOVERNMENT OF THE REP	ACTIVE	179,069.64
9000400	UITZOECHT LANDGOED CC	ACTIVE	175,814.61
6000908	DEPARTMENT OF EDUCATION	ACTIVE	174,642.16
9002503	GOUWS BOERDERY TRUST	ACTIVE	167,104.10
2000270	PROVINSIALE HOSPITAAL	ACTIVE	166,509.80
9019006	TIGER STRIPES INVESTMENTS (PTY	ACTIVE	161,764.35
TOTAL			5,213,213.80

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2019/20									Prior year totals for chart
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type										
Bulk Electricity										-
Bulk Water										-
PAYE deductions										-
VAT (output less input)										-
Pensions / Retirement deductions										-
Loan repayments										-
Trade Creditors										-
Auditor General										-
Other										-
Total By Customer Type	-	-	-	-	-	-	-	-	-	-

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice. The municipality is having challenges relating to extraction of creditors age analysis and below are the contributing factors:

- Goods received vouchers (GRV) are only processed on the system as and when we are about to pay and this approach distorts the entire picture of ageing our creditors since the system will count the number of days taken to process an invoice from the date the GRV is processed.
- The contracted services are paid through direct/straight payments that do not feed the age analysis module.

Proposal was made that the municipality need to maintain the invoice register that should be used for manually updating the creditors age analysis and the Budget and Treasury department is in a process of implementing the proposed register.

TOP CREDITORS PAID

CODE	CREDITOR NAME	AMOUNT
80654	MPOFU ELECTRICAL SERVICES	126,442.50
80653	BABIRWA TRAVEL	45,705.60
80877	KM JUNIOR INVESTMENTS	23,150.00
41095	REAKGONA TRAVEL SERVICES	7,200.00
TOTAL		202,498.10

The above table presents the top creditors paid during the month of July 2019 and an amount of R202 hundred were paid to these creditors within 30 days.

Supporting Table: SC 5 - Investment Portfolio

Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
Nedbank 03/7881068264/0037	1 Month	Current Investment	5.20%	43,677	11,837,655	9,386	(11,847,041)		-
Nedbank 03/7881068264/0053	1 Month	Current Investment	7.64%	43,689		96,285		20,000,000	20,096,285
Nedbank 03/7881068264/0054	2 Month	Current Investment	7.72%	43,717		145,940		30,000,000	30,145,940
Nedbank 03/7881068264/0055	1 Month	Current Investment	7.74%	43,687		106,183		21,771,000	21,877,183
Standard 038823527/003	2 Month	Current Investment	7.45%	43,724		67,258		21,968,000	22,035,258
TOTAL INVESTMENTS AND INTEREST					11,837,655	425,052	(11,847,041)	93,739,000	94,154,666

Supporting table SC5 presents all investment movements, and it indicates that the municipality had opening investment amount of R11, 837 million and this has yielded interests amounting to R9, 386 thousand, withdrew R11, 847 million. Couple of investments were made totaling to R93, 793 that yielded an interest of R415, 666 thousand and closing of R94, 154 million.

Supporting Table: SC 6 - Transfers and Grant Receipts

Description	2018/19	Budget Year 2019/20							
	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:	245,278	272,618	-	112,230	112,230	101,311	13,126	13%	272,618
Local Government Equitable Share	237,506	269,009		112,087	112,087	98,961	13,126	13%	269,009
Finance Management	1,770	2,235		-	-	2,235			2,235
EPWP Incentive	1,002	1,374		143	143	115			1,374
Energy Efficiency and Demand Management	5,000	-		-	-	-			-
Provincial Government:	-	-	-	-	-	-	-		-
N/A									
District Municipality:	-	-	-	-	-	-	-		-
N/A									
Other grant providers:	-	-	-	-	-	-	-		-
N/A									
Total Operating Transfers and Grants	245,278	272,618	-	112,230	112,230	101,311	13,126	13%	272,618
Capital Transfers and Grants									
National Government:	72,279	73,921	-	30,967	30,967	30,600	367	1%	73,921
Municipal Infrastructure Grant (MIG)	62,270	54,921		21,967	21,967	25,000	(3,033)	-12%	54,921
Integrated National Electrification Grant	10,009	19,000		9,000	9,000	5,600	3,400	61%	19,000
Provincial Government:	21,771	-	-	-	-	-	-		-
Coghsta - Development	21,771	-		-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A									
Other grant providers:	-	-	-	-	-	-	-		-
N/A									
Total Capital Transfers and Grants	94,050	73,921	-	30,967	30,967	30,600	367	1%	73,921
TOTAL RECEIPTS OF TRANSFERS & GRANTS	339,328	346,539	-	143,197	143,197	131,911	13,493	10%	346,539

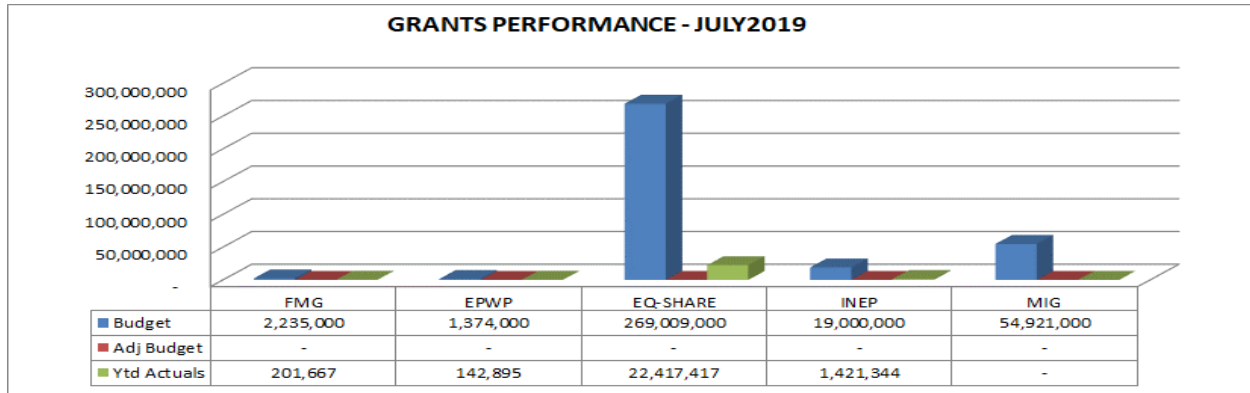
Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R143, 197 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R112 087 million; Integrated National Electrification Programme amounting to R9 000 million and Municipal Infrastructure Grant amounting to R21 968 million were received. 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	2018/19	Budget Year 2019/20							
	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:	245,278	272,618	-	22,762	22,761	101,311	(78,549)	(0)	272,618
Local Government Equitable Share	237,506	269,009		22,417	22,417	98,961	(76,544)	(0)	269,009
Finance Management	1,770	2,235		202	202	2,235	(2,034)	(0)	2,235
EPWP Incentive	1,002	1,374		143	143	115	28	0	1,374
Energy Efficiency and Demand Management	5,000	-				-	-		-
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A									
District Municipality:	-	-	-	-	-	-	-	-	-
N/A									
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A									
Total operating expenditure of Transfers and Grants:	245,278	272,618	-	22,762	22,761	101,311	(78,549)	(0)	272,618
Capital expenditure of Transfers and Grants									
National Government:	72,279	73,921	-	1,421	1,421	30,600	(29,179)	-95%	73,921
Municipal Infrastructure Grant (MIG)	62,270	54,921		-	-	25,000	(25,000)	-100%	54,921
Intergrated National Electrification Grant	10,009	19,000		1,421	1,421	5,600	(4,179)	-75%	19,000
Provincial Government:	21,771	-	-	-	-	-	-	-	-
Coghsta - Development	21,771	-				-	-		-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A									
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A									
Total capital expenditure of Transfers and Grants	94,050	73,921	-	1,421	1,421	30,600	(29,179)	-95%	73,921
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	339,328	346,539	-	24,183	24,183	131,911	(107,728)	-82%	346,539

An amount of R24, 183 million has been spent on grants during the month of July 2019 and the year to date actuals is 24, 183 million whilst the year to date budget amounts to R131, 911 million and this results in underspending variance of R107, 728 million that translates to negative 82%. Of the total spending amounting to R24, 183 million, R22, 761 million is spent on operational grants whilst R1, 421 million is spent of capital grants.

Figure 5: Grants performance



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

- Financial Management Grant 9.02%
- Expanded Public Work Programme 10.4%
- Equitable Share 8.33%
- Municipal Infrastructure Grant 0%
- Integrated National Electrification Grant 7.48%

Supporting Table: SC7 (2) – Expenditure against approved rollovers

Description	Budget Year 2019/20				
	Approved Rollover 2018/19	Monthly actual	YearTD actual	YTD variance	YTD variance
EXPENDITURE					
Operating expenditure of Approved Roll-overs					
National Government:	-	-	-	-	-
Local Government Equitable Share	-	-	-	-	-
Finance Management	-	-	-	-	-
EPWP Incentive	-	-	-	-	-
Energy Efficiency and Demand Management	-	-	-	-	-
Provincial Government:	-	-	-	-	-
N/A					
District Municipality:	-	-	-	-	-
N/A					
Other grant providers:	-	-	-	-	-
N/A					
Total operating expenditure of Approved Roll-overs	-	-	-	-	-
Capital expenditure of Approved Roll-overs					
National Government:	-	-	-	-	-
Municipal Infrastructure Grant (MIG)	-	-	-	-	-
Intergrated National Electrification Grant					
Provincial Government:	-	-	-	-	-
Coghsta - Development					
District Municipality:	-	-	-	-	-
N/A	-	-	-	-	-
Other grant providers:	-	-	-	-	-
N/A					
Total capital expenditure of Approved Roll-overs	-	-	-	-	-
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	-	-	-	-	-

Table SC7 (2) provides details for expenditure on approved rollovers. The municipality applied for Municipal Infrastructure Grant roll over (amount not spend in 2018-19 financial year). Roll over approval will only take place in August 2019; at this stage we have not received any approval from the relevant department.

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councilor remuneration	2018/19	Budget Year 2019/20							
	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	14,450	15,201		1,115	1,115	1,267	(152)	-12%	15,201
Pension and UIF Contributions	1,657	1,744		139	139	145	(6)	-4%	1,744
Medical Aid Contributions	351	369		27	27	31	(3)	-11%	369
Motor Vehicle Allowance	5,334	5,611		411	411	468	(57)	-12%	5,611
Cellphone Allowance	2,499	2,629		226	226	219	7	3%	2,629
Housing Allowances	-	-					-		-
Other benefits and allowances	-	-		18	18		18	#DIV/0!	-
Sub Total - Councillors	24,291	25,554	-	1,936	1,936	2,130	(194)	-9%	25,554
% increase		5%							5%
Senior Managers of the Municipality									
Basic Salaries and Wages	4,532	5,150		359	359	429	(70)	-16%	5,150
Pension and UIF Contributions	245	172		14	14	14	(1)	-5%	172
Medical Aid Contributions	102	64		7	7	5	1	23%	64
Overtime	-	-					-		-
Performance Bonus	-	-					-		-
Motor Vehicle Allowance	760	918		55	55	77	(22)	-28%	918
Cellphone Allowance	141	188		14	14	16	(2)	-11%	188
Housing Allowances	-	-					-		-
Other benefits and allowances	528	331		18	18	3	15	515%	331
Payments in lieu of leave	-	-					-		-
Long service awards	-	-					-		-
Post-retirement benefit obligations	-	-					-		-
Sub Total - Senior Managers of Municipality	6,308	6,824	-	465	465	544	(79)	-14%	6,824
% increase		8%							8%
Other Municipal Staff									
Basic Salaries and Wages	79,451	91,339		7,373	7,373	7,612	(239)	-3%	91,339
Pension and UIF Contributions	16,141	18,714		1,492	1,492	1,559	(67)	-4%	18,714
Medical Aid Contributions	4,726	4,761		450	450	397	53	13%	4,761
Overtime	2,108	1,948		134	134	162	(28)	-17%	1,948
Performance Bonus	-	-					-		-
Motor Vehicle Allowance	10,043	11,571		932	932	964	(33)	-3%	11,571
Cellphone Allowance	1,147	1,171		150	150	98	53	54%	1,171
Housing Allowances	160	437		15	15	272	(258)	-95%	437
Other benefits and allowances	8,638	8,329		115	115	66	48	73%	8,329
Payments in lieu of leave	1,173	1,951		117	117	163	(45)	-28%	1,951
Long service awards	578	486		-	-	34	(34)	-100%	486
Post-retirement benefit obligations	-	-					-		-
Sub Total - Other Municipal Staff	124,165	140,707	-	10,778	10,778	11,327	(548)	-5%	140,707
% increase		13%							13%
Total Parent Municipality	154,764	173,085	-	13,179	13,179	14,000	(821)	-6%	173,085
% increase		12%							12%
TOTAL SALARY, ALLOWANCES & BENEFITS	154,764	173,085	-	13,179	13,179	14,000	(821)	-6%	173,085
% increase		12%							12%
TOTAL MANAGERS AND STAFF	130,473	147,530	-	11,243	11,243	11,870	(627)	-5%	147,530

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of July 2019 amounts to R13, 179 million and the year to date budget is R14, 000 million and the expenditure for remuneration of councilors amounts to R1, 936 million while the year to date budget is R2, 130 million. The year to date actual expenditure for senior managers is R465 thousand and the year to date budget thereof is R544 thousand. There is one senior management vacant position (Budget and Treasury) and this is causing underspending variance on budget performance for senior management. The year to date actuals for other municipal staff is R10, 788 million and the year to date budget is R11, 327 million. The remuneration of councilors, senior manager and other municipal staff category has under spending variance, and there is only one vacant position in the senior management level and the position will be filled.

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

Description	Budget Year 2019/20												2019/20 Medium Term Revenue		
	July Outcome	August Budget	Sept Budget	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year	Budget Year +1	Budget Year +2
Cash Receipts By Source															
Property rates	2,340	1,823	1,823	1,823	1,823	1,823	1,823	1,823	1,823	1,823	1,823	1,306	21,878	27,452	28,934
Service charges - electricity revenue	5,598	6,741	6,741	6,741	6,741	6,741	6,741	6,741	6,741	6,741	6,741	14,375	87,380	86,220	90,876
Service charges - water revenue															
Service charges - sanitation revenue															
Service charges - refuse	428	335	335	335	335	335	335	335	335	335	335	242	4,018	4,596	4,844
Rental of facilities and equipment	17	59	59	59	59	59	59	59	59	59	59	100	705	721	760
Interest earned - external investments	425	245	245	245	245	245	245	245	245	245	245	66	2,946	3,105	3,272
Interest earned - outstanding debtors	150	76	76	76	76	76	76	76	76	76	76	2	915	1,484	1,564
Dividends received															
Fines, penalties and forfeits		800	800	800	800	800	800	800	800	800	800	1,600	9,602	10,120	10,667
Licences and permits	475	456	456	456	456	456	456	456	456	456	456	437	5,470	5,766	6,077
Agency services															
Transfer receipts - operating	112,230	23,135	23,135	23,135	23,135	23,135	23,135	23,135	23,135	23,135	23,135	(70,960)	272,618	291,737	314,255
Other revenue	1,285	139	139	139	139	139	139	139	139	139	139		1,664	1,754	1,849
Cash Receipts by Source	122,948	33,809	33,809	33,809	33,809	33,809	33,809	33,809	33,809	33,809	33,809	(53,838)	407,197	432,954	463,098
Other Cash Receipts by Source															
Transfer receipts - capital	30,967	6,160	6,160	6,160	6,160	6,160	6,160	6,160	6,160	6,160	6,160	(18,647)	73,921	74,234	75,773
Contributions & Contributed assets															
Proceeds on disposal of PPE															
Short term loans															
Borrowing long term/refinancing															
Increase in consumer deposits	56											(456)	(400)	(350)	(300)
Receipt of non-current debtors															
Receipt of non-current receivables															
Change in non-current investments															
Total Cash Receipts by Source	153,971	39,969	39,969	39,969	39,969	39,969	39,969	39,969	39,969	39,969	39,969	(72,941)	480,718	506,838	538,571
Cash Payments by Type															
Employee related costs	11,243	12,609	12,609	12,609	12,609	12,609	12,609	12,609	12,609	12,609	12,609	10,199	147,530	157,231	165,564
Remuneration of councillors	1,936	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,323	25,554	27,266	28,093
Interest paid	255	207	207	207	207	207	207	207	207	207	207	175	2,505	1,141	53
Bulk purchases - Electricity	85	6,382	6,382	6,382	6,382	6,382	6,382	6,382	6,382	6,382	6,382	17,033	80,941	93,406	107,884
Bulk purchases - Water & Sewer															
Other materials	289	773	773	773	773	773	773	773	773	773	773	1,098	9,120	9,612	9,831
Contracted services	7,339	4,990	4,990	4,990	4,990	4,990	4,990	4,990	4,990	4,990	4,990	(974)	56,268	58,464	61,929
Grants and subsidies paid - other municipalities		312	312	312	312	312	312	312	312	312	312		623	3,942	4,155
Grants and subsidies paid - other	217											(217)			
General expenses	6,799	4,247	4,247	4,247	4,247	4,247	4,247	4,247	4,247	4,247	4,247	(6,713)	42,552	40,284	40,150
Cash Payments by Type	28,163	31,650	31,650	31,650	31,650	31,650	31,650	31,650	31,650	31,650	31,650	23,549	368,211	391,346	417,660
Other Cash Flows/Payments by Type															
Capital assets	1,421	6,452	6,452	6,452	6,452	6,452	6,452	6,452	6,452	6,452	6,452	22,059	88,001	89,158	88,783
Repayment of borrowing	754	807	807	807	807	807	807	807	807	807	807	860	9,686	11,050	2,504
Other Cash Flows/Payments	36,758	838	838	838	838	838	838	838	838	838	838	(35,082)	10,055	13,000	15,000
Total Cash Payments by Type	67,097	39,747	39,747	39,747	39,747	39,747	39,747	39,747	39,747	39,747	39,747	11,386	475,953	504,555	523,947
NET INCREASE/(DECREASE) IN CASH HELD	86,874	222	222	222	222	222	222	222	222	222	222	(84,327)	4,764	2,283	14,624
Cash/cash equivalents at the month/year beginning:	22,423	109,296	109,518	109,740	109,961	110,183	110,405	110,627	110,848	111,070	111,292	111,514	22,423	27,187	29,470
Cash/cash equivalents at the month/year end:	109,296	109,518	109,740	109,961	110,183	110,405	110,627	110,848	111,070	111,292	111,514	27,187	27,187	29,470	44,094

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 R153, 971 million and the total cash payment for the month were R67, 097 million and this resulted in net decrease in cash held amounting to R86, 874 million. With cash and cash equivalent of R22, 423 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R109, 296 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
Monthly expenditure performance trend									
July	4,292	9,466		1,112	1,112	9,466	8,353	88%	1%
August	1,635	3,712				13,178	–		
September	9,816	14,062				27,239	–		
October	5,461	8,364				35,603	–		
November	6,413	8,687				44,290	–		
December	7,217	9,913				54,203	–		
January	2,762	8,429				62,632	–		
February	5,583	4,675				67,307	–		
March	2,500	10,432				77,739	–		
April	5,844	4,917				82,656	–		
May	8,105	5,184				87,840	–		
June	11,742	7,813				95,654	–		
Total Capital expenditure	71,370	95,654	–	1,112					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of July amounts to R1, 112 million. The year to date actual expenditure incurred is R1, 112 million whilst the year to date budget is R9, 466 million that gives rise to under spending variance of R8, 353 million that translate to 88%.

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

Description	2018/19	Budget Year 2019/20							
	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/Sub-class									
Infrastructure	47,545	50,043	-	1,112	1,112	6,437	5,324	83%	50,043
Roads Infrastructure	34,057	30,521	-	-	-	4,049	4,049	100%	30,521
Roads	34,057	30,521				4,049	4,049	100%	30,521
Road Structures									
Road Furniture									
Storm water Infrastructure	-	-	-	-	-	-	-		-
Drainage Collection									
Electrical Infrastructure	13,487	19,522	-	1,112	1,112	2,388	1,275	53%	19,522
HV Substations									
HV Switching Station									
HV Transmission Conductors									
MV Networks	13,487	19,522		1,112	1,112	2,388	1,275	53%	19,522
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites									
Waste Transfer Stations									
Waste Processing Facilities									
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Libraries									
Cemeteries/Crematoria									
Police									
Other assets	4,947	900	-	-	-	-	-		900
Operational Buildings	4,947	900	-	-	-	-	-		900
Municipal Offices	4,947	900							900
Pay/Enquiry Points									
Building Plan Offices									
Workshops									
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes									
Licences and Rights	-	-	-	-	-	-	-		-
Water Rights									
Computer Equipment	1,000	500	-	-	-	160	160	100%	500
Computer Equipment	1,000	500				160	160	100%	500
Furniture and Office Equipment	400	400	-	-	-	-	-		400
Furniture and Office Equipment	400	400							400
Machinery and Equipment	300	2,326	-	-	-	389	389	100%	2,326
Machinery and Equipment	300	2,326				389	389	100%	2,326
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets									
Total Capital Expenditure on new assets	54,192	54,169	-	1,112	1,112	6,986	5,874	84%	54,169

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

Description	2018/19	Budget Year 2019/20							
	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 by Asset Class/Sub-class									
Infrastructure	40,944	23,813	-	-	-	2,230	2,230	100%	23,813
Roads Infrastructure	40,944	22,074	-	-	-	2,089	2,089	100%	22,074
Roads	40,944	22,074				2,089	2,089	100%	22,074
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	-	1,739	-	-	-	141	141	100%	1,739
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors		1,739				141	141	100%	1,739
MV Networks							-		
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
Community Assets	522	-	-	-	-	-	-		-
Community Facilities	522	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria	522	-					-		
Police							-		
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices							-		
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on renewal of existing assets	41,466	23,813	-	-	-	2,230	2,230	100.0%	23,813

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

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure by Asset Class									
Infrastructure	6,704	6,756	-	417	417	1,580	1,163	74%	6,756
Roads Infrastructure	2,000	2,000	-	53	53	833	781	94%	2,000
Roads	2,000	2,000		53	53	833	781	94%	2,000
Road Structures							-		
Road Furniture							-		
Electrical Infrastructure	1,000	1,052	-	56	56	438	383	87%	1,052
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors	1,000	1,052		56	56	438	383	87%	1,052
MV Networks							-		
Solid Waste Infrastructure	3,704	3,704	-	309	309	309	0	0%	3,704
Landfill Sites	3,704	3,704		309	309	309	0	0%	3,704
Waste Transfer Stations							-		
Other assets	1,000	1,052	-	-	-	438	438	100%	1,052
Operational Buildings	1,000	1,052	-	-	-	438	438	100%	1,052
Municipal Offices	1,000	1,052		-	-	438	438	100%	1,052
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Solid Waste Licenses							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	1,670	1,757	-	121	121	586	466	79%	1,757
Machinery and Equipment	1,670	1,757		121	121	586	466	79%	1,757
Transport Assets	1,000	1,052	-	7	7	526	519	99%	1,052
Transport Assets	1,000	1,052		7	7	526	519	99%	1,052
Total Repairs and Maintenance Expenditure	10,374	10,617	-	545	545	3,131	2,586	83%	10,617

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

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure	34,653	39,133	-	-	-	3,261	3,261	100%	36,455
Roads Infrastructure	25,147	29,133	-	-	-	2,428	2,428	100%	26,454
Roads	25,147	29,133				2,428	2,428	100%	26,454
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	3,712	3,905	-	-	-	325	325	100%	3,905
Storm water Conveyance	3,712	3,905				325	325	100%	3,905
Attenuation							-		
Electrical Infrastructure	5,166	5,434	-	-	-	453	453	100%	5,434
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors	5,166	5,434				453	453	100%	5,434
MV Networks							-		
Solid Waste Infrastructure	629	662	-	-	-	55	55	100%	662
Landfill Sites	629	662				55	55	100%	662
Waste Transfer Stations							-		
Community Assets	2,918	3,070	-	-	-	256	256	100%	3,070
Community Facilities	2,918	3,070	-	-	-	256	256	100%	3,070
Libraries							-		
Cemeteries/Crematoria	2,918	3,070				256	256	100%	3,070
Police							-		
Other assets	2,180	2,293	-	-	-	191	191	0	2,293
Operational Buildings	2,180	2,293	-	-	-	191	191	100%	2,293
Municipal Offices	2,180	2,293				191	191	100%	2,293
Workshops							-		
Intangible Assets	378	398	-	-	-	33	33	100%	398
Servitudes							-		
Licences and Rights	378	398	-	-	-	33	33	100%	398
Computer Software and Applications	378	398				33	33	100%	398
Computer Equipment	1,518	1,597	-	-	-	133	133	100%	1,597
Computer Equipment	1,518	1,597				133	133	100%	1,597
Furniture and Office Equipment	3,817	4,015	-	-	-	335	335	100%	4,015
Furniture and Office Equipment	3,817	4,015				335	335	100%	4,015
Machinery and Equipment	2,175	2,288	-	-	-	191	191	100%	2,288
Machinery and Equipment	2,175	2,288				191	191	100%	2,288
Transport Assets	3,542	3,727	-	-	-	311	311	100%	3,727
Transport Assets	3,542	3,727				311	311	100%	3,727
Total Depreciation	51,181	56,520	-	-	-	4,710	4,710	100%	53,842

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

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	1,600	15,196	-	-	-	249	249	100%	15,196
Roads Infrastructure	-	15,196	-	-	-	249	249	100%	15,196
Roads		15,196		-	-	249	249	100%	15,196
Road Structures									
Road Furniture									
Storm water Infrastructure	-	-	-	-	-	-	-		-
Storm water Conveyance									
Attenuation									
Electrical Infrastructure	-	-	-	-	-	-	-		-
HV Substations									
HV Switching Station									
HV Transmission Conductors									
MV Networks									
Solid Waste Infrastructure	1,600	-	-	-	-	-	-		-
Landfill Sites	1,600	-				-	-		-
Waste Transfer Stations									
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Libraries									
Cemeteries/Crematoria									
Police									
Other assets	-	2,476	-	-	-	-	-		2,476
Operational Buildings	-	2,476	-	-	-	-	-		2,476
Municipal Offices	-	2,476	-	-	-	-	-		2,476
Workshops									
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes									
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications									
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment									
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment									
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment									
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets									
Total Capital Expenditure on upgrading of existing assets	1,600	17,672	-	-	-	249	249	100%	17,672

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 R1, 112 million and the year to date budget is R6, 986 million that reflects over spending variance of R5, 874 million that translates to 84% variance.

The year to date actuals on renewal of existing assets amounts nil, and with the year to date budget of R2, 230 million and this reflects no spending variance that translates to 100% variance.

The year to date actual expenditure on repairs and maintenance is R554 thousand and the year to date budget is R3, 131 million, reflecting over spending variance of R2, 586 million that translates to 83%.

The year to date actual expenditure on upgrading of existing assets is nil and the year to date budget is R249 thousand, reflecting no spending variance that translates to 100%.

The year to date actual expenditure on depreciation and asset impairment is nil and the year to date budget is R4, 710 million, reflecting spending variance of nil, that translates to 100% 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.

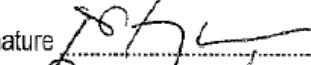
List of Capital Programmes and Projects

Department	Project Description	Type	Asset Class	Asset Sub-Class	Medium Term Revenue and Expenditure Framework Budget Year 2019/20		
					Original Budget	YTD Actuals	Percentage
Parent municipality:							
Technical Services	Kgapamadi road	Renewal	Infrastructure	Roads Infrastructure	22,816	–	0%
Technical Services	Grobblersdal Landfill site	Upgrade	Community assets	Waste Management	13,000	–	0%
Technical Services	Electrification of Tambo Village	New	Infrastructure	Electrical Infrastructure	12,266	–	0%
Technical Services	Grobblersdal Roads and Streets	New	Infrastructure	Roads Infrastructure	8,696	–	0%
Technical Services	Tambo Road Construction	New	Infrastructure	Roads Infrastructure	8,400	–	0%
Technical Services	JJ Zaaiplaas Road	New	Infrastructure	Roads Infrastructure	7,705	–	0%
Technical Services	Electrification of Masakaneng	New	Infrastructure	Electrical Infrastructure	3,864	1,421	37%
Technical Services	Motetema Internal Streets	New	Infrastructure	Roads Infrastructure	3,478	–	0%
Technical Services	Development of workshop	New	Other Assets	Operational building	2,476	–	0%
Technical Services	Culverts, road signs	New	Infrastructure	Roads Infrastructure	1,739	–	0%
Technical Services	Upgrading of Bloompoot to Uitspanning Access Road (Design only)	Renewal	Infrastructure	Roads Infrastructure	1,500	–	0%
Technical Services	Access Road	Upgrade	Infrastructure	Roads Infrastructure	1,500	–	0%
Technical Services	Electrification of Mashemong	New	Infrastructure	Electrical Infrastructure	1,435	–	0%
Technical Services	Electrification of Ntswelemutse	New	Infrastructure	Electrical Infrastructure	1,435	–	0%
Technical Services	Upgrading of Tafelkop stadium Access Road	Upgrade	Infrastructure	Roads Infrastructure	696	–	0%
Community Services	Lawn mowers and other equipment's	New	Community assets	Machinery and Equipment	522	–	0%
Technical Services	Completion of 2 Highmast light in Ward 10	Renewal	Infrastructure	Electrical Infrastructure	522	–	0%
Corporate Services	Computer Equipment	New	Computer Equipment	Computer Equipment	500	–	0%
Technical Services	Equipment(tools)	New	Equipment	Equipment	500	–	0%
Community Services	Mobile Offices Traffic	New	Community assets	Operational building	500	–	0%
Community Services	Tractor, tractor trailer and slasher	New	Community assets	Machinery and Equipment	478	–	0%
Corporate Services	Furniture and Office Equipment	New	Furniture and Office Equipment	Furniture and Office Equipment	400	–	0%
Technical Services	Air Conditioner	New	Machinery and Equipment	Machinery and Equipment	400	–	0%
Community Services	Twenty skip bins	New	Community assets	Machinery and Equipment	348	–	0%
Community Services	Bin lifter (compatible with self-compressed containers)	New	Machinery and Equipment	Machinery and Equipment	348	–	0%
Community Services	Two trailers	New	Community assets	Equipment	130	–	0%

Quality certificate

I, **MESHACK MAHLAGAUME KGWALE**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of July 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 (LIM472)

Signature 
Date 