

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

JUNE 2017

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	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	22,395	23,981	24,881	10,780	10,794	24,881	(14,087)	-57%	24,881
Service charges	69,588	81,102	75,935	8,126	72,421	75,935	(3,514)	-5%	75,935
Investment revenue	4,290	3,829	3,479	190	2,856	3,479	(622)	-18%	3,479
Transfers recognised - operational	216,652	213,105	213,105	217	213,105	213,105	-		213,105
Other own revenue	17,378	15,589	22,157	3,471	18,889	22,157	(3,268)	-15%	22,157
Total Revenue (excluding capital transfers and contributions)	330,303	337,606	339,557	22,784	318,065	339,557	(21,491)	-6%	339,557
Expenditure									
Employee costs	112,151	109,053	112,496	8,964	112,790	112,496	293	0%	112,496
Remuneration of Councillors	19,061	18,908	20,292	1,694	20,132	20,292	(160)	-1%	20,292
Depreciation & asset impairment	49,728	35,796	50,000	-	-	50,000	(50,000)	-100%	50,000
Finance charges	2,141	60	2,760	(857)	1,149	2,760	(1,611)	-58%	2,760
Materials and bulk purchases	69,966	68,906	83,459	646	65,320	83,459	(18,139)	-22%	83,459
Transfers and grants	313	2,128	2,248	101	3,622	2,248	1,374	61%	2,248
Other expenditure	114,765	94,063	107,178	3,963	101,194	107,178	(5,985)	-6%	107,178
Total Expenditure	368,125	328,915	378,434	14,512	304,206	378,434	(74,227)	-20%	378,434
Surplus/(Deficit)	(37,822)	8,690	(38,877)	8,273	13,859	(38,877)	52,736	-136%	(38,877)
Capital Transfers									
Transfers recognised - capital	77,188	75,419	75,419	1,186	52,336	75,419	(23,083)	-31%	75,419
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	39,366	84,109	36,542	9,458	66,195	36,542	29,653	81%	36,542
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	39,366	84,109	36,542	9,458	66,195	36,542	29,653	81%	36,542
Capital expenditure & funds sources									
Capital expenditure	108,388	94,449	87,620	801	62,705	87,620	(24,914)	-28%	87,620
Capital transfers recognised	77,188	75,419	66,240	703	47,419	66,240	(18,821)	-28%	66,240
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	31,200	19,030	21,380	98	15,287	21,380	(6,093)	-29%	21,380
Total sources of capital funds	108,388	94,449	87,620	801	62,705	87,620	(24,914)	-28%	87,620
Financial position									
Total current assets	58,124	72,418	60,701		58,589				60,701
Total non current assets	979,292	993,473	1,040,124		1,040,296				1,040,124
Total current liabilities	69,263	31,896	51,752		85,108				51,752
Total non current liabilities	95,865	90,513	85,185		94,896				85,185
Community wealth/Equity	872,288	943,481	963,888		918,880				963,888
Cash flows									
Net cash from (used) operating	22,790	119,326	88,938	(8,649)	42,814	89,181	46,367	52%	88,938
Net cash from (used) investing	(30,567)	(89,449)	(87,620)	(1,186)	(59,152)	(87,620)	(28,468)	32%	(87,620)
Net cash from (used) financing	(5,415)	(8,857)	(5,019)	-	(3,338)	(5,019)	(1,681)	0	(5,019)
Cash/cash equivalents at the month/year end	11,965	27,259	8,264	-	19,806	8,507	(11,299)	-133%	35,782
Debtors & creditors analysis									
	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
Debtors Age Analysis									
Total By Income Source	(580)	3,537	1,477	1,326	1,200	1,034	5,337	19,844	33,174
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 June 2017 is R318, 065 million and the year to date budget of R339, 557 million and this reflects a negative variance of R21, 491 Million

that reflects poor performance of the operational revenue for the reporting period. The following are the secondary revenue item categories reflecting a negative and material variance:

- Interest earned - external investments: 18% unfavorable variance,
- Licenses and permits: 2% unfavorable variance
- Rental on Facilities and Equipment: 30% unfavorable variance
- Fines: 61% unfavorable variance
- Service charges - refuse revenue: 61% unfavorable variance
- Property Rates: 57% unfavorable variance
- Other revenue: 31% unfavorable variance

Operating Expenditure

The year to date operational expenditure as at end of June 2017 amounts to R304, 206 million and the year to date budget is R378, 434 million. This reflects an unfavorable variance of R74, 227 million that translates to 20% under spending variance as compared to the projected expenditure. Cognizance should be taken that the above spending does not include “expenditure” on non-cash items and as a result, the expenditure is the actual spending that resulted in actual outflow of cash. The municipality is in a process of linking the Asset Management system with core financial system so that the depreciation calculated on the initial system can be interfaced to the financial system and this will assist in doing away with the practice of calculating depreciation only at year end.

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:

- Other materials: 48% under performance variance
- Finance Charges : 58% under performance variance
- Transfer and Grants: 61% under performance variance
- Contracted services: 11% over performance variance
- Bulk purchase: 17% underspending variance

With regards to the over performance variance on contracted services, the municipality needs to reduce the level of reliance on consultants as outlined in the Treasury Instruction letter number 01.

Capital Expenditure

The year to date actual capital expenditure as at end of June 2017 amounts to R62, 705 million and the year to date budget amounts to R87, 620 million and this gives rise to 28% under spending variance. This is attributed to Upgrading of Hlogotlou stadium with a budget of R10 million (funded by MIG) that is not yet spent as well as the electrification projects (funded by INEP) that spent

R3, 585 Million. The under spending on projects that are funded by grants will lead the municipality to applying for roll over and as a result, this might have negative impact on future allocations.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month is R9, 458 million.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of June 2017 amounts to R33, 174 million and this shows an decrease of R30, 397 Million as compared to R63, 571 million as at end of 2015/16 financial year, and the decrease is mainly attributed to debt written off.

Creditors

All creditors are paid within 30 days of receipt of invoice as required by MFMA and as a result, our creditor's age analysis does not have figures.

Table C2 – Financial Performance (Standard Classification)

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Standard									
Governance and administration	248,338	246,631	247,098	7,726	242,448	247,098	(4,650)	-2%	247,098
Executive and council	930	–	–	–	–	–	–	–	–
Budget and treasury office	247,402	246,619	247,085	7,724	242,436	247,085	(4,648)	-2%	247,085
Corporate services	6	11	14	1	12	14	(2)	-15%	14
Community and public safety	5,127	1,384	7,045	454	2,764	7,045	(4,280)	-61%	7,045
Community and social services	2,710	39	44	3	45	44	1	3%	44
Sport and recreation	1	3	1	24	–	1	(1)	-100%	1
Public safety	2,415	1,342	7,000	427	2,719	7,000	(4,281)	-61%	7,000
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	74,437	70,558	71,548	794	54,935	71,548	(16,613)	-23%	71,548
Planning and development	1,186	1,167	1,811	11	1,646	1,811	(165)	-9%	1,811
Road transport	73,251	69,391	69,737	783	53,289	69,737	(16,448)	-24%	69,737
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	79,589	94,452	89,285	8,906	81,672	89,285	(7,612)	-9%	89,285
Electricity	75,904	86,328	81,773	5,222	75,166	81,773	(6,606)	-8%	81,773
Water	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	3,685	8,124	7,512	3,684	6,506	7,512	(1,006)	-13%	7,512
Other	–	–	–	–	–	–	–	–	–
Total Revenue - Standard	407,491	413,025	414,976	17,879	381,820	414,976	(33,156)	-8%	414,976
Expenditure - Standard									
Governance and administration	206,701	158,368	152,470	7,930	146,552	152,470	(5,918)	-4%	152,470
Executive and council	48,215	45,635	53,149	2,748	51,792	53,149	(1,357)	-3%	53,149
Budget and treasury office	111,996	71,054	46,481	1,955	45,618	46,481	(863)	-2%	46,481
Corporate services	46,490	41,679	52,840	3,227	49,141	52,840	(3,698)	-7%	52,840
Community and public safety	20,652	23,423	24,172	1,513	21,772	24,172	(2,400)	-10%	24,172
Community and social services	8,856	9,521	11,653	663	9,717	11,653	(1,936)	-17%	11,653
Sport and recreation	708	1,431	1,178	92	1,011	1,178	(167)	-14%	1,178
Public safety	11,088	12,470	11,340	758	11,043	11,340	(297)	-3%	11,340
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	52,108	50,267	92,722	3,406	49,799	92,722	(42,922)	-46%	92,722
Planning and development	9,467	10,031	8,231	747	6,693	8,231	(1,538)	-19%	8,231
Road transport	42,640	40,236	84,490	2,660	43,106	84,490	(41,384)	-49%	84,490
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	88,664	96,858	109,070	6,428	86,398	109,070	(22,672)	-21%	109,070
Electricity	65,530	78,171	84,711	5,381	65,950	84,711	(18,761)	-22%	84,711
Water	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	23,135	18,687	24,359	1,047	20,448	24,359	(3,911)	-16%	24,359
Other	–	–	–	–	–	–	–	–	–
Total Expenditure - Standard	368,125	328,915	378,434	19,277	304,521	378,434	(73,913)	-20%	378,434
Surplus/ (Deficit) for the year	39,366	84,109	36,542	(1,398)	77,299	36,542	40,757	112%	36,542

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

Vote Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	–	–	–	–	–	–	–	–	–
Vote 2 - Office of the Municipal Manager	930	–	–	–	–	–	–	–	–
Vote 3 - Budget & Treasury	247,402	246,619	247,085	7,724	242,436	247,085	(4,648)	-2%	247,085
Vote 4 - Corporate Services	6	11	14	1	12	14	(2)	-15%	14
Vote 5 - Community Services	13,068	14,568	19,417	4,511	10,329	19,417	(9,087)	-47%	19,417
Vote 6 - Technical Services	144,898	150,659	146,650	5,608	123,712	146,650	(22,937)	-16%	146,650
Vote 7 - Strategic Deveopment	–	–	–	–	–	–	–	–	–
Vote 8 - Developmental Planning	1,186	1,167	1,811	11	1,635	1,811	(176)	-10%	1,811
Vote 9 - Executive Support	–	–	–	–	–	–	–	–	–
Total Revenue by Vote	407,491	413,025	414,976	17,856	378,125	414,976	(36,850)	-9%	414,976
Expenditure by Vote									
Vote 1 - Executive & Council	29,961	27,109	30,476	1,906	29,150	30,476	(1,325)	-4%	30,476
Vote 2 - Office of the Municipal Manager	21,217	18,526	22,673	842	22,642	22,673	(32)	0%	22,673
Vote 3 - Budget & Treasury	111,996	71,054	46,481	1,955	45,618	46,481	(863)	-2%	46,481
Vote 4 - Corporate Services	22,109	27,391	35,988	2,032	32,574	35,988	(3,414)	-9%	35,988
Vote 5 - Community Services	48,634	47,723	53,636	2,947	46,277	53,636	(7,359)	-14%	53,636
Vote 6 - Technical Services	103,323	112,793	164,096	2,889	104,684	164,096	(59,412)	-36%	164,096
Vote 7 - Strategic Deveopment	–	–	–	–	–	–	–	–	–
Vote 8 - Developmental Planning	6,505	10,031	8,231	747	6,693	8,231	(1,538)	-19%	8,231
Vote 9 - Executive Support	24,381	14,288	16,852	1,195	16,568	16,852	(284)	-2%	16,852
Total Expenditure by Vote	368,125	328,915	378,433	14,512	304,206	378,433	(74,227)	-20%	378,433
Surplus/ (Deficit) for the year	39,366	84,109	36,542	3,344	73,919	36,542	37,376	102%	36,542

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	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	22,395	23,981	24,881	10,780	10,794	24,881	(14,087)	-57%	24,881
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	65,904	73,328	68,773	4,442	69,599	68,773	826	1%	68,773
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	3,684	7,774	7,162	3,684	2,822	7,162	(4,340)	-61%	7,162
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	1,413	912	1,612	0	1,130	1,612	(482)	-30%	1,612
Interest earned - external investments	4,290	3,829	3,479	190	2,856	3,479	(622)	-18%	3,479
Interest earned - outstanding debtors	5,872	6,123	6,823	2,635	9,009	6,823	2,185	32%	6,823
Dividends received	-	-	-	-	-	-	-	-	-
Fines	2,413	1,342	7,000	427	2,719	7,000	(4,281)	-61%	7,000
Licences and permits	4,257	5,060	4,860	397	4,743	4,860	(117)	-2%	4,860
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	216,652	213,105	213,105	217	213,105	213,105	-	-	213,105
Other revenue	3,423	2,152	1,862	11	1,288	1,862	(574)	-31%	1,862
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	330,303	337,606	339,557	22,784	318,065	339,557	(21,491)	-6%	339,557
Expenditure By Type									
Employee related costs	112,151	109,053	112,496	8,964	112,790	112,496	293	0%	112,496
Remuneration of councillors	19,061	18,908	20,292	1,694	20,132	20,292	(160)	-1%	20,292
Debt impairment	8,130	12,688	10,688	-	-	10,688	(10,688)	-100%	10,688
Depreciation & asset impairment	49,728	35,796	50,000	-	-	50,000	(50,000)	-100%	50,000
Finance charges	2,141	60	2,760	(857)	1,149	2,760	(1,611)	-58%	2,760
Bulk purchases	60,361	64,961	69,961	181	58,326	69,961	(11,635)	-17%	69,961
Other materials	9,606	3,945	13,498	465	6,994	13,498	(6,504)	-48%	13,498
Contracted services	36,111	20,550	38,589	952	42,675	38,589	4,086	11%	38,589
Transfers and grants	313	2,128	2,248	101	3,622	2,248	1,374	61%	2,248
Other expenditure	66,734	60,826	57,902	3,011	58,518	57,902	617	1%	57,902
Loss on disposal of PPE	3,790	-	-	-	-	-	-	-	-
Total Expenditure	368,125	328,915	378,434	14,512	304,206	378,434	(74,227)	-20%	378,434
Surplus/(Deficit)	(37,822)	8,690	(38,877)	8,273	13,859	(38,877)	52,736	-136%	(38,877)
Transfers recognised - capital	77,188	75,419	75,419	1,186	52,336	75,419	(23,083)	-31%	75,419
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	39,366	84,109	36,542	9,458	66,195	36,542			36,542
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	39,366	84,109	36,542	9,458	66,195	36,542			36,542
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	39,366	84,109	36,542	9,458	66,195	36,542			36,542
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	39,366	84,109	36,542	9,458	66,195	36,542			36,542

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, fines, and interest earned – external investments, license and permits, and other revenue. In the case of expenditure the following line items reflect material variance; Finance charges, contracted services, other material, 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.

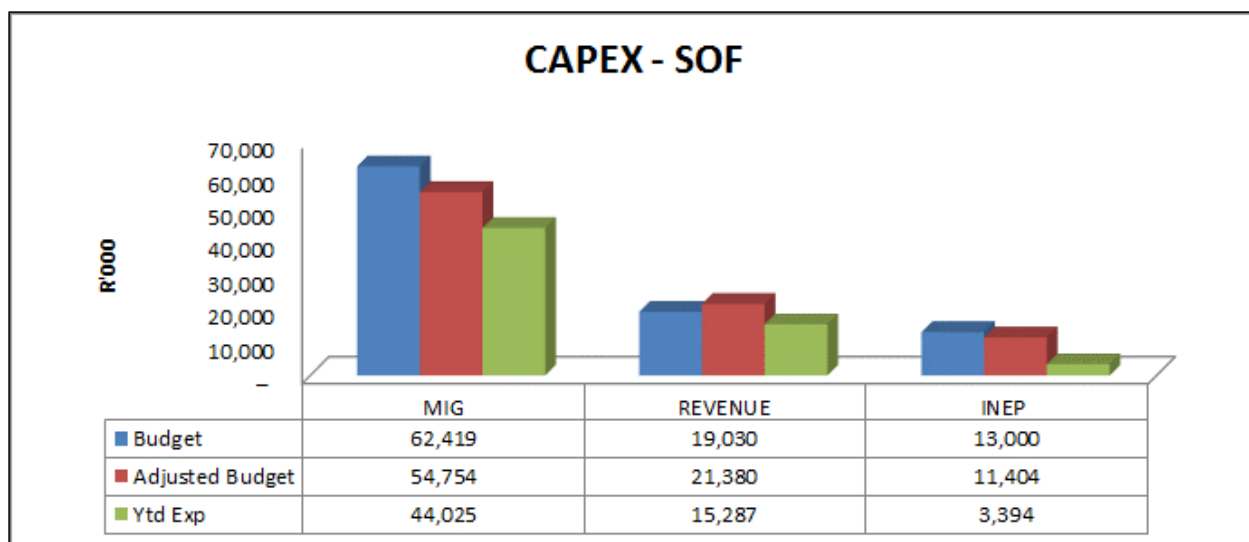
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

Vote Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Standard Classification									
Governance and administration	1,148	650	2,550	115	2,249	2,550	(301)	-12%	2,550
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	1,148	650	2,550	115	2,249	2,550	(301)	-12%	2,550
Community and public safety	77	1,380	1,280	-	28	1,280	(1,252)	-98%	1,280
Community and social services	77	1,200	1,100	-	28	1,100	(1,072)	-97%	1,100
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	180	180	-	-	180	(180)	-100%	180
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	84,276	77,019	71,986	(74)	57,035	71,986	(14,951)	-21%	71,986
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	84,276	77,019	71,986	(74)	57,035	71,986	(14,951)	-21%	71,986
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	22,887	15,400	11,804	760	3,394	11,804	(8,410)	-71%	11,804
Electricity	22,445	14,500	11,404	760	3,394	11,404	(8,010)	-70%	11,404
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	442	900	400	-	-	400	(400)	-100%	400
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	108,388	94,449	87,620	801	62,705	87,620	(24,914)	-28%	87,620
Funded by:									
National Government	77,188	75,419	66,240	703	47,419	66,240	(18,821)	-28%	66,240
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	77,188	75,419	66,240	703	47,419	66,240	(18,821)	-28%	66,240
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	31,200	19,030	21,380	98	15,287	21,380	(6,093)	-29%	21,380
Total Capital Funding	108,388	94,449	87,620	801	62,705	87,620	(24,914)	-28%	87,620

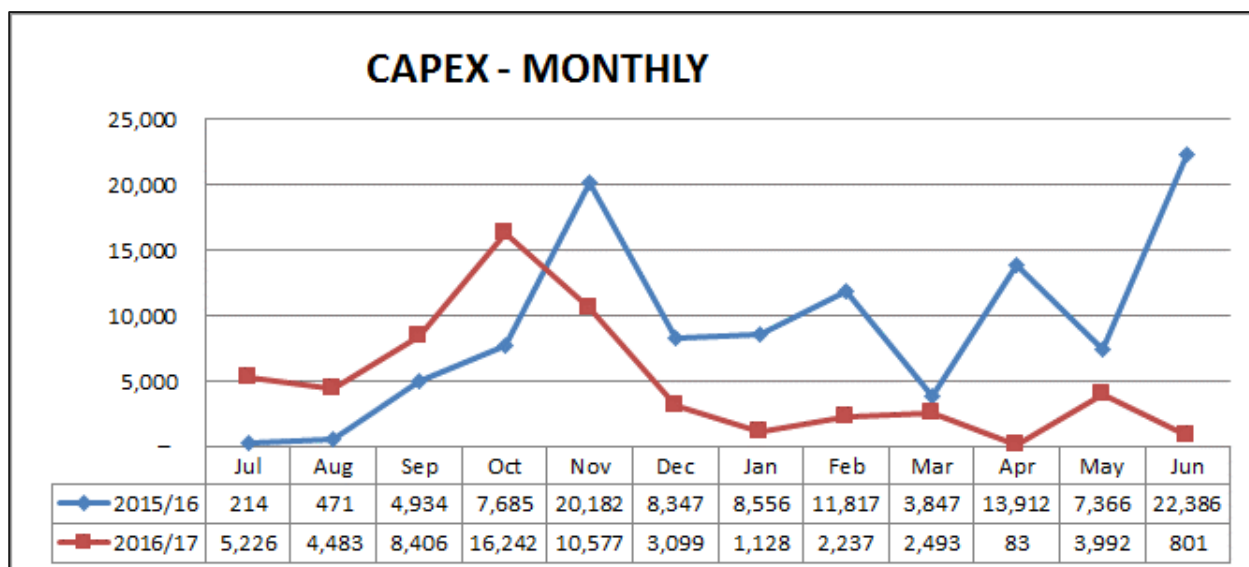
Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,148	-	-	-	-	-	-	-	-
Vote 5 - Community Services	3,701	600	600	-	28	600	(572)	-95%	600
Vote 6 - Technical Services	67,215	63,619	53,257	284	29,782	53,257	(23,475)	-44%	53,257
Vote 7 - Strategic Deveopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	72,063	64,219	53,857	284	29,810	53,857	(24,047)	-45%	53,857
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	650	1,950	115	1,666	1,950	(284)	-15%	1,950
Vote 5 - Community Services	-	2,180	1,080	-	-	1,080	(1,080)	-100%	1,080
Vote 6 - Technical Services	36,325	27,400	30,133	402	30,647	30,133	514	2%	30,133
Vote 7 - Strategic Deveopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	600	-	583	600	(17)	-3%	600
Total Capital single-year expenditure	36,325	30,230	33,763	517	32,895	33,763	(867)	-3%	33,763
Total Capital Expenditure	108,388	94,449	87,620	801	62,705	87,620	(24,914)	-28%	87,620

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 June 2017, R 801 thousand spending was incurred and the year to date expenditure is R62, 705 million whilst the year to date budget is R87, 620 million and this gave rise to unfavorable spending variance of R24, 914 Million that translates to 28%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R87, 537 million, R54, 754 million is funded from Municipal Infrastructure grant, R11, 404 million from INEP and R21, 380 million from own revenue and the spending per source of finance is presented in the above graph.



The above graph compares the 2015/16 and 2016/17 monthly capital expenditure performance. The graphs shows performance and/or spending improvement from the month of July to October, and then the spending declined from November 2016 to June 2017 as compared to 2015/16 capital budget spending pattern.

Table C6: Monthly Budget Statement Financial Position

Description	2015/16	Budget Year 2016/17			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	5,066	3,247	3,247	4,175	3,247
Call investment deposits	6,899	33,369	5,017	15,631	5,017
Consumer debtors	24,545	18,947	32,082	6,958	32,082
Other debtors	18,226	13,855	16,955	28,632	16,955
Current portion of long-term receivables	-	-	-	-	-
Inventory	3,388	3,000	3,400	3,193	3,400
Total current assets	58,124	72,418	60,701	58,589	60,701
Non current assets					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	96,146	89,472	96,146	93,468	96,146
Investments in Associate	-	-	-	-	-
Property, plant and equipment	871,247	891,663	931,739	934,928	931,739
Agricultural	-	-	-	-	-
Biological assets	-	-	-	-	-
Intangible assets	496	640	178	496	178
Other non-current assets	11,404	11,698	12,061	11,404	12,061
Total non current assets	979,292	993,473	1,040,124	1,040,296	1,040,124
TOTAL ASSETS	1,037,416	1,065,891	1,100,825	1,098,885	1,100,825
LIABILITIES					
Current liabilities					
Bank overdraft	-	-	-	-	-
Borrowing	8,170	-	10,100	444	10,100
Consumer deposits	5,120	5,444	5,200	5,169	5,200
Trade and other payables	53,644	25,000	35,000	72,647	35,000
Provisions	2,330	1,452	1,452	6,848	1,452
Total current liabilities	69,263	31,896	51,752	85,108	51,752
Non current liabilities					
Borrowing	6,900	6,264	-	11,520	-
Provisions	88,965	84,249	85,185	83,377	85,185
Total non current liabilities	95,865	90,513	85,185	94,896	85,185
TOTAL LIABILITIES	165,128	122,409	136,937	180,004	136,937
NET ASSETS	872,288	943,481	963,888	918,880	963,888
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	872,288	943,481	963,888	918,880	963,888
Reserves	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	872,288	943,481	963,888	918,880	963,888

The above table shows that community wealth amounts to R918, 880 billion, total liabilities R180, 004 million and the total assets R1, 098 billion. Non-current liabilities is mainly made up of provisions for long service award, landfill site and bonus, and borrowing that is exclusively finance lease for yellow fleet.

Included in the trade and other payables is unspent conditional grants amounting to R19, 399 million relating to MIG, INEP, FMG and EPWP.

Table C7: Monthly Budget Statement Cash Flow

Description	2015/16	Budget Year 2016/17							
	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, penalties & collection charges	8,908	22,302	23,637	1,163	18,201	23,637	(5,436)	-23%	23,637
Service charges	59,267	74,803	71,422	3,986	62,207	71,422	(9,215)	-13%	71,422
Other revenue	8,835	8,463	11,403	1,258	33,253	11,403	21,850	192%	11,403
Government - operating	216,652	213,105	213,105	-	213,105	213,105	-		213,105
Government - capital	77,188	75,419	75,419	-	85,419	75,419	10,000	13%	75,419
Interest	10,163	5,666	5,526	414	3,368	5,769	(2,401)	-42%	5,526
Dividends	-	-	-	-	-	-	-		-
Payments									
Suppliers and employees	(355,769)	(278,243)	(306,626)	(14,512)	(366,703)	(306,626)	60,077	-20%	(306,626)
Finance charges	(2,141)	(60)	(2,700)	(857)	(2,504)	(2,700)	(196)	7%	(2,700)
Transfers and Grants	(313)	(2,128)	(2,248)	(101)	(3,532)	(2,248)	1,284	-57%	(2,248)
NET CASH FROM/(USED) OPERATING ACTIVITIES	22,790	119,326	88,938	(8,649)	42,814	89,181	46,367	52%	88,938
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	654	5,000	-	-	-	-	-		-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments	77,167	-	-	-	-	-	-		-
Payments									
Capital assets	(108,388)	(94,449)	(87,620)	(1,186)	(59,152)	(87,620)	(28,468)	32%	(87,620)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(30,567)	(89,449)	(87,620)	(1,186)	(59,152)	(87,620)	(28,468)	32%	(87,620)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-		-
Borrowing long term/refinancing	-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits	(412)	500	(17)	-	1,236	(17)	1,253	-7325%	(17)
Payments									
Repayment of borrowing	(5,003)	(9,357)	(5,002)	-	(4,574)	(5,002)	(428)	9%	(5,002)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(5,415)	(8,857)	(5,019)	-	(3,338)	(5,019)	(1,681)	33%	(5,019)
NET INCREASE/(DECREASE) IN CASH HELD	(13,192)	21,020	(3,701)	(9,834)	(19,677)	(3,458)			(3,701)
Cash/cash equivalents at beginning:	25,158	6,238	11,965		39,483	11,965			39,483
Cash/cash equivalents at month/year end:	11,965	27,259	8,264		19,806	8,507			35,782

Table C7 presents details pertaining to cash flow performance. As at end of June 2017, the net cash inflow from operating activities is R42, 814 million whilst net cash outflow from investing activities is R59, 152 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R3, 338 million. The cash and cash equivalent held at end of June 2017 amounted to R19, 806 million and the net effect of the above cash flows is cash outflow movement of R19, 677 million. The cash and cash equivalent at end of the reporting period of R 19, 806 million is made up of cash amounting to R4, 175 million and short term investments of R15, 631 million as presented in Table A6 under current assets.

PART 2: SUPPORTING TABLES

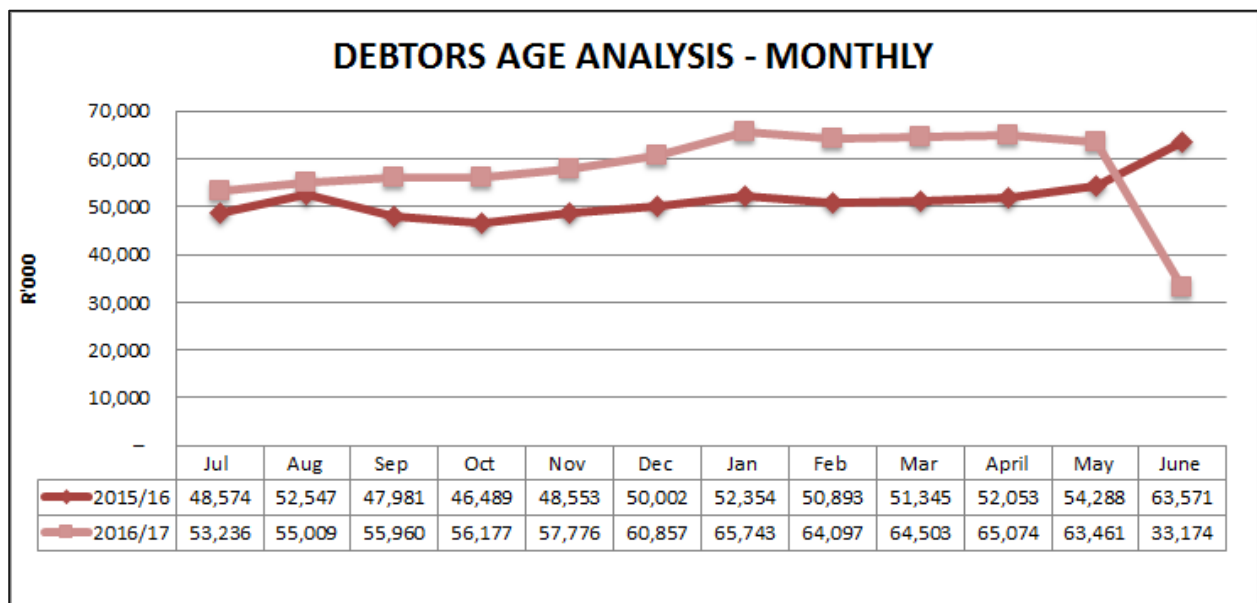
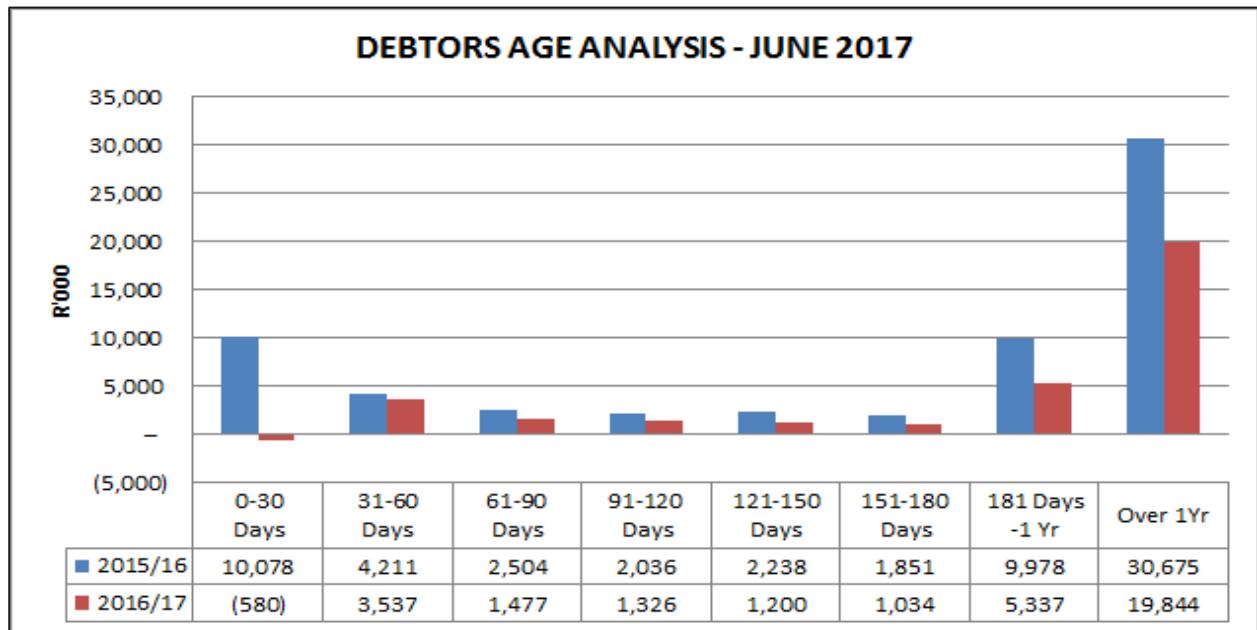
Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2016/17										Actual Debt Written Off against	Impairment - Bad Debts i.to Council	
	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	5,466	1,984	412	281	221	630	639	1,748	11,382	3,520	-	-	
Receivables from Non-exchange Transactions - Property Rates	(2,011)	793	555	522	484	452	2,520	11,516	14,831	15,494	-	-	
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Management	(862)	167	94	78	72	59	321	1,303	1,231	1,832	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	4	22	22	20	80	80	150	698	1,073	1,026	-	-	
Interest on Arrear Debtor Accounts	(2,219)	412	393	372	358	343	1,804	6,544	8,007	9,420	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-	
Other	(957)	158	2	52	(14)	(528)	(97)	(1,964)	(3,349)	(2,552)	-	-	
Total By Income Source	(580)	3,537	1,477	1,326	1,200	1,034	5,337	19,844	33,174	28,740	-	-	
2015/16 - totals only	10,078	4,211	2,504	2,036	2,238	1,851	9,978	30,675	63,571	46,778	-	-	
Debtors Age Analysis By Customer Group													
Organs of State	(80)	578	68	57	25	391	329	1,351	2,719	2,153	-	-	
Commercial	3,554	1,376	500	352	282	(250)	1,242	2,732	9,788	4,358	-	-	
Households	(4,468)	1,034	422	338	255	216	1,151	5,959	4,908	7,920	-	-	
Other	415	548	487	578	638	677	2,614	9,802	15,760	14,309	-	-	
Total By Customer Group	(580)	3,537	1,477	1,326	1,200	1,034	5,337	19,844	33,174	28,740	-	-	

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of June amount to R33, 174 million. The debtors' book is made up as follows:

- Rates 44,71%
- Electricity 34,31%
- Rental 3,23%
- Refuse removal 3,71%
- Interest on Debtors 24,13%

The debtors' age analysis is graphically presented below.



The initial graph compares debtors' age analysis for 2015/16 financial year and 2016/17 (as at end of June 2017) whilst the latter shows monthly movement of debtors for both the current financial year and the 2015/16 financial year. The latter graph portrays a picture that indicates that the municipality is still struggling to collect debts owed to it and/or to keep debtors book at minimal and this is evident from debtors' book that is forever below the 2015/16 financial year debtors' book line. This will undoubtedly have a negative impact on revenue collection rate.

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

TOP TWENTY DEBTORS

ACCOUNT NO	ACCOUNT HOLDER NAME	OUT BALANCE	REMARKS
9012345	BREED J & OOSTHUIZEN J F	815,858.92	HANDED OVER
9900067	WATER PURIFICATION PLANT (SDM)	666,976.57	HANDED OVER
201885	SHOPRITE CHECKERS (PTY) LTD	477,608.66	30 DAYS
214913	MEAT SPOT	451,245.33	HANDED OVER
1501364	JAN JOUBERT TR (JO JO TANKS)	414,578.52	30 DAYS
9000000	REPUBLIEK VAN SUID-AFRIKA	337,382.45	DISPUTES
200106	ANABEL AND T INVESTMENTS (WALTLOO MEAT & CHICKEN)	307,802.66	30 DAYS
9001077	ROYAL SQUARE INV 361 CC	300,656.16	HANDED OVER
2000270	PROVINSIALE HOSPITAAL	258,855.96	30 DAYS
9000804	NATIONAL GOVERNMENT REPUBLIC OF SOUTH AFRICA	256,400.90	INVOICES ISSUES AS ACCOUNT ARE BILLED FOR 9 MONTHS IN ADVANCE
1200305	BUNGELA LAMOLA BOTTLE STORE	206,798.63	HANDED OVER
506535	BUMAZI PROPERTIES C/O BFW METERING	188,179.57	30 DAYS
211693	BOXER SUPERSTORE'ATT KERSHNEE	159,411.76	30 DAYS
5001708	UNITRADE 518 (PTY) LTD	156,048.01	30 DAYS
9002958	PROVINCIAL GOVERNMENT OF LIMPO	152,986.06	INVOICES ISSUES AS ACCOUNT ARE BILLED FOR 9 MONTHS IN ADVANCE
9001763	TSHEHLA TRUST MAMAILE GEORGE	131,994.59	HANDED OVER
5002109	VAN AARD F J (MAPOCH HOTEL)	127,373.55	HANDED OVER
9002067	NATIONAL GOVERNMENT OF THE REP	123,778.26	INVOICES ISSUES AS ACCOUNT ARE BILLED FOR 9 MONTHS IN ADVANCE
9002065	GOVERNMENT OF KWANDEBELE	123,351.48	HANDED OVER
200357	VALOWORX 200 CC	122,460.00	HANDED OVER
TOTAL		5,779,748.04	

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2016/17									Prior year totals for
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days -1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type										
Bulk Electricity	-	-	-	-	-	-	-	-	-	-
Bulk Water	-	-	-	-	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	-	-	-	-	-	-	-	-	-	-
Auditor General	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	-	-	-	-	-	-	-	-	-	-

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice. All creditors for the month were paid within the stipulated period of thirty days and no creditors were outstanding for more than 30 days, hence the age analysis table is blank.

TOP TWENTY CREDITORS PAID

CODE	CREDITOR NAME	AMOUNT
80563	KF PHETLA PROJECTS	780,043.29
32409	MAKGONATSOHLE TRADING ENTERPRI	482,486.94
1256	MANY LE MANG CONSTRUCTION	316,236.00
37668	MAHLAKO A NAPE TRADING & PROJ	141,370.80
41027	KDM TRAVEL EXPRESS	140,446.08
41111	MOAGI TECHNOLOGIES	99,974.01
32049	LEDANDULU'S CONSTRUCTION	99,277.01
80555	ROTICARE (PTY) LTD	92,900.00
1300	DEMOCRATIC CONSTRUCTION AND SE	81,316.20
41043	RISE ARISE PTY LTD	68,800.00
80562	BHIGOS TRADING PTY LTD	28,840.00
41025	TSOGANE DISTRIBUTORS	28,700.00
80317	REJOICE 200 CONSTRUCTION & PRO	27,000.00
37621	GROBBY TRADING	26,850.00
41029	MATOLOS TRADING PTY LTD	26,000.00
80367	MAPENANE GENERAL TRADING & PRO	25,500.00
80550	BOSHIWE ENGINEERING PTY LTD	25,000.00
80558	MMUSI BUSINESS SOLUTION	25,000.00
37625	SUNAY TRADING 292 CC	24,500.00
80012	ARE BONENG TRADING	24,000.00
TOTAL		2,564,240.33

The above table presents the top twenty creditors paid during the month of June 2017 and an amount of R2, 564 million was paid to these creditors during the reporting period.

Supporting Table: SC 5 - Investment Portfolio

Investments by ID	Period	Type of Investment	Expiry date	Accrued interest	Percentage Interest	MV - Opening	Change in MV	MV - Closing
Nedbank	1 Month	Short term	3-May-17	37	7.60%	20,191	(20,228)	-
VBS Mutual Bank	1 Month	Short term	2-Jul-17	190	9.25%	30,441	(15,000)	15,631
Totals				228		50,632	(35,228)	15,631

Supporting table SC5 presents all investments that indicate that the total amount of R15, 631 million had been invested as at end of June 2017. The opening balance was R50, 632 million, and an amount of R35, 228 million was withdrawn in the reporting period. Accrued interest for the month amounted to R228 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

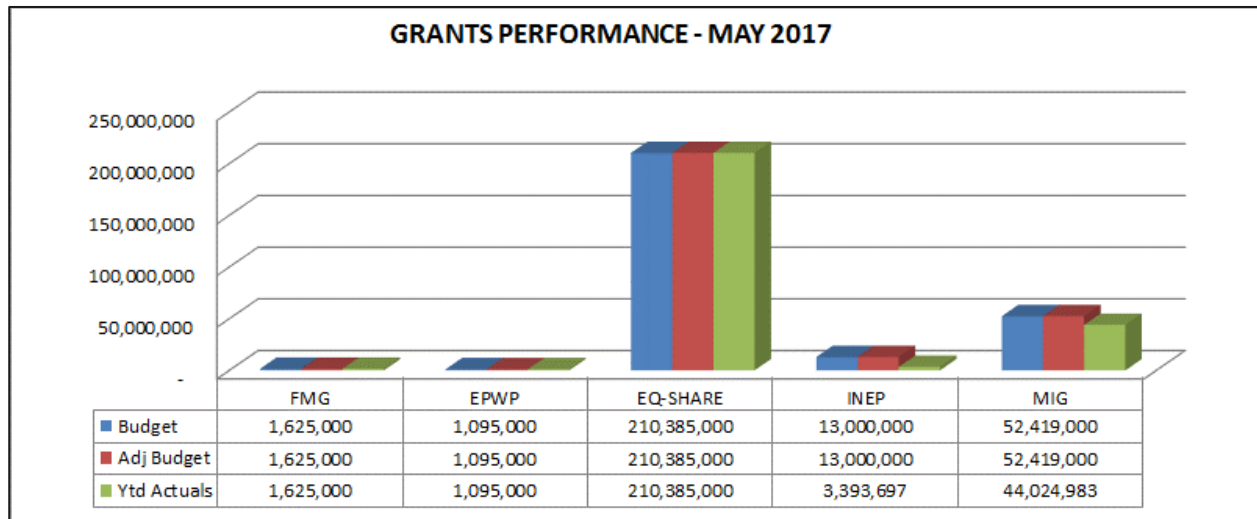
Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	216,641	213,105	213,105	-	213,105	213,105	-		213,105
Local Government Equitable Share	212,948	210,385	210,385	-	210,385	210,385	-		210,385
Finance Management	1,600	1,625	1,625	-	1,625	1,625			1,625
Municipal Systems Improvement	930	-	-	-	-	-			-
EPWP Incentive	1,163	1,095	1,095	-	1,095	1,095			1,095
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	216,641	213,105	213,105	-	213,105	213,105	-		213,105
Capital Transfers and Grants									
National Government:	63,102	75,419	75,419	-	85,419	75,419	10,000	13%	75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	62,419	-	72,419	62,419	10,000	16%	62,419
Integrated National Electrification Grant	10,000	13,000	13,000	-	13,000	13,000	-		13,000
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	63,102	75,419	75,419	-	85,419	75,419	10,000	13%	75,419
TOTAL RECEIPTS OF TRANSFERS & GRANTS	279,743	288,524	288,524	-	298,524	288,524	10,000	3%	288,524

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R298 million of which the major portion is attributed to equitable share. All the grants allocated for the current financial year have been received in line with the payment schedule.

Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2015/16	Budget Year 2016/17							
	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:	216,641	213,105	213,105	303	213,105	213,105	-		213,105
Local Government Equitable Share	212,948	210,385	210,385	-	210,385	210,385	-		210,385
Finance Management	1,600	1,625	1,625	246	1,625	1,625	-		1,625
Municipal Systems Improvement	930	-	-	-	-	-	-		-
EPWP Incentive	1,163	1,095	1,095	58	1,095	1,095	-		1,095
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:	216,641	213,105	213,105	303	213,105	213,105	-		213,105
Capital expenditure of Transfers and Grants									
National Government:	63,102	75,419	75,419	703	47,419	75,419	(28,000)	-37%	75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	62,419	(57)	44,025	62,419	(18,394)	-29%	62,419
Intergrated National Electrification Grant	10,000	13,000	13,000	760	3,394	13,000	(9,606)	-74%	13,000
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants	63,102	75,419	75,419	703	47,419	75,419	(28,000)	-37%	75,419
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	279,743	288,524	288,524	1,007	260,524	288,524	(28,000)	-10%	288,524

An amount of R1, 007 million has been spent on grants during the month of June 2017 and the year to date actuals is R260, 524 million whilst the year to date budget amounts to R288, 524 million and this results in under spending variance of R28, 000 that translates to 10%. Of the total spending amounting to R1, 007 million, R 303 thousand is spent on operational grants whilst R 703 thousand is spent of capital grants. All the Grants are getting spent fairly well when comparing the year to date actuals with the projected budget thereof, except FMG and INEP.



The above graph depicts the gazetted and adjusted budgeted amounts for all the grants and the expenditure thereof as at end of June 2017. The grants expenditure is shown below in percentages:

- Financial Management Grant 100%
- Expanded Public Work Programme 100%
- Equitable Share 100%
- Municipal Infrastructure Grant 83.99%
- Integrated National Electrification Grant 26.11%

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councillor remuneration	2015/16	Budget Year 2016/17							
	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	11,508	13,424	13,435	1,003	12,369	13,435	(1,066)	-8%	13,435
Pension and UIF Contributions	987	1,080	1,555	146	1,691	1,555	136	9%	1,555
Medical Aid Contributions	306	275	266	21	250	266	(16)	-6%	266
Motor Vehicle Allowance	3,640	4,000	4,458	390	4,676	4,458	218	5%	4,458
Cellphone Allowance	1,615		570	135	1,146	570	576	101%	570
Housing Allowances	-		-	-	-	-	-	-	-
Other benefits and allowances	1,005	128	8	-	-	8	(8)	-100%	8
Sub Total - Councillors	19,061	18,908	20,292	1,694	20,132	20,292	(160)	-1%	20,292
% increase		-1%	6%						6%
Senior Managers of the Municipality									
Basic Salaries and Wages	4,473	5,706	7,311	355	6,393	7,311	(918)	-13%	7,311
Pension and UIF Contributions	352	496	564	33	565	564	0	0%	564
Medical Aid Contributions	169	86	139	-	-	139	(139)	-100%	139
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	718	793	1,018	47	825	1,018	(193)	-19%	1,018
Cellphone Allowance	-	-	-	1	5	-	5	#DIV/0!	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	283	71	267	3	239	267	(28)	-10%	267
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	5,994	7,153	9,300	439	8,027	9,300	(1,273)	-14%	9,300
% increase		19%	55%						55%
Other Municipal Staff									
Basic Salaries and Wages	66,719	67,914	67,431	5,749	68,064	67,431	633	1%	67,431
Pension and UIF Contributions	12,228	13,194	14,021	1,176	13,833	14,021	(188)	-1%	14,021
Medical Aid Contributions	3,565	3,869	3,944	359	4,092	3,944	148	4%	3,944
Overtime	2,589	1,060	2,076	224	2,835	2,076	759	37%	2,076
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	5,437	7,693	7,501	686	7,721	7,501	220	3%	7,501
Cellphone Allowance	-	-	127	29	111	127	(16)	-12%	127
Housing Allowances	137	158	175	12	152	175	(23)	-13%	175
Other benefits and allowances	12,594	6,458	6,846	147	7,183	6,846	337	5%	6,846
Payments in lieu of leave	2,046	1,060	952	-	-	952	(952)	-100%	952
Long service awards	841	494	123	70	597	123	474	385%	123
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	106,156	101,900	103,196	8,453	104,588	103,196	1,391	1%	103,196
% increase		-4%	-3%						-3%
Total Parent Municipality	131,211	127,962	132,788	10,586	132,746	132,788	(42)	0%	132,788
% increase		-2%	1%						1%
TOTAL SALARY, ALLOWANCES & BENEFITS	131,211	127,962	132,788	10,586	132,746	132,788	(42)	(0)	132,788
% increase		-2%	1%						1%
TOTAL MANAGERS AND STAFF	112,151	109,053	112,496	8,892	112,614	112,496	118	0	112,496

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for June 2017 amounts to R10, 586 million and the year to date actual expenditure is R132, 746 million and the expenditure for remuneration of councilors for the month amounts to R1, 694 million while the year to date actual expenditure is R20, 132 million and the year to date budget is R20, 292 million giving rise to under spending variance of R160 thousand that translates to 1%.

Description	Budget Year 2016/17												2016/17 Medium Term Revenue		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget	Budget	Budget
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Year	Year +1	Year +2
Cash Receipts By Source															
Property rates	1,263	1,471	1,340	1,940	1,407	1,137	1,543	1,541	1,929	1,275	1,662	7,128	23,637	25,103	26,584
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	6,778	4,328	5,763	6,142	5,499	4,443	4,656	5,840	6,644	5,532	6,551	3,157	65,334	69,385	73,478
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse	283	273	254	292	246	220	263	299	236	229	312	3,181	6,088	6,465	6,847
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	44	82	46	116	90	67	247	63	60	47	16	654	1,532	1,626	1,722
Interest earned - external investments	398	311	274	94	29	193	313	175	202	314	274	903	3,479	3,695	3,912
Interest earned - outstanding debtors	182	146	98	124	73	116	107	220	177	74	140	588	2,047	2,174	2,302
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	18	80	44	17	7	23	190	294	319	112	787	1,258	3,150	3,345	3,543
Licences and permits	427	-	347	442	375	302	430	351	378	371	453	985	4,860	5,161	5,466
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operating	87,660	1,899	-	-	69,286	-	-	329	53,931	-	421	(421)	213,105	227,853	243,113
Other revenue	936	992	21	3,169	65	1,462	657	901	324	18,085	5,107	(29,856)	1,862	1,977	2,094
Cash Receipts by Source	97,989	9,582	8,188	12,335	77,078	7,963	8,406	10,014	64,201	26,037	15,723	(12,423)	325,093	346,784	369,061
Other Cash Flows by Source															
Transfer receipts - capital	22,000	2,296	4,693	5,200	28,400	20,257	(11,090)	-	13,663	-	-	(10,000)	75,419	66,212	69,386
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits	22	36	2	5	0	(47)	(13)	964	(13)	(4)	285	(1,253)	(17)	(200)	(250)
Receipt of non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	120,011	11,915	12,883	17,540	105,478	28,172	(2,697)	10,978	77,851	26,033	16,007	(23,676)	400,495	412,796	438,197
Cash Payments by Type															
Employee related costs	8,307	10,207	8,705	8,782	8,644	13,858	8,906	9,074	8,920	9,055	9,189	8,850	112,496	119,471	126,520
Remuneration of councillors	1,615	1,667	1,478	1,580	1,584	1,586	1,586	2,257	1,694	1,694	1,694	1,855	20,292	21,550	22,822
Interest paid	219	-	335	-	-	800	358	-	107	100	87	754	2,760	2,931	3,104
Bulk purchases - Electricity	7,265	7,426	5,587	71	4,604	9,639	85	4,859	5,040	9,164	4,403	11,816	69,961	74,298	78,682
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	317	2,303	401	391	872	594	836	1,121	309	425	856	5,072	13,498	14,335	15,181
Contracted services	3,766	4,051	7,239	2,252	804	3,788	4,481	4,321	2,687	4,688	3,327	(4,815)	36,589	34,822	36,876
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	96	196	167	180	101	282	-	380	875	175	599	(803)	2,248	2,387	2,528
General expenses	7,325	4,243	5,910	4,567	27,192	5,037	2,586	5,832	5,419	6,421	10,676	(31,479)	53,730	47,361	59,118
Cash Payments by Type	28,910	30,093	29,823	17,824	43,801	35,585	18,838	27,845	25,050	31,722	30,832	(8,750)	311,574	317,156	344,830
Other Cash Flows/Payments by Type															
Capital assets	5,226	4,483	8,406	17,022	10,577	3,099	1,128	2,237	1,712	83	3,992	29,654	87,620	83,747	92,397
Repayment of borrowing	800	-	701	-	-	578	509	487	693	-	294	939	5,002	10,100	-
Other Cash Flows/Payments	14,031	-	-	-	-	-	-	-	-	-	-	(14,031)	-	-	-
Total Cash Payments by Type	48,967	34,576	38,930	34,846	54,379	39,262	20,476	30,569	27,455	31,805	35,119	7,813	404,196	411,003	437,227
NET INCREASE/(DECREASE) IN CASH HELD	71,044	(22,661)	(26,047)	(17,306)	51,099	(11,090)	(23,173)	(19,590)	50,396	(5,771)	(19,111)	(31,489)	(3,701)	1,793	969
Cash/cash equivalents at the month/year beginning:	11,695	82,739	60,078	34,031	16,724	67,823	56,733	33,561	13,970	64,366	58,594	39,483	11,695	7,994	9,787
Cash/cash equivalents at the month/year end:	82,739	60,078	34,031	16,724	67,823	56,733	33,561	13,970	64,366	58,594	39,483	7,994	7,994	9,787	10,757

Supporting Table: SC 12 Capital Expenditure Trend

Month	2015/16	Budget Year 2016/17							
	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	214	15,914	5,226	5,226	5,226	5,226	-		6%
August	471	19,478	4,483	4,483	9,709	9,709	-		10%
September	4,934	14,244	8,272	8,406	18,115	17,982	(133)	-1%	19%
October	7,685	8,854	15,529	16,242	34,357	33,511	(846)	-3%	36%
November	20,182	14,023	10,577	10,577	44,934	44,088	(846)	-2%	48%
December	8,347	7,942	3,945	3,099	48,033	48,033	(0)	0%	51%
January	8,556	5,595	841	1,128	49,161	48,875	(287)	-1%	52%
February	11,817	1,735	3,064	2,237	51,398	51,939	541	1%	54%
March	3,847	1,628	10,741	2,493	53,891	62,680	8,789	14%	57%
April	13,912	3,520	7,524	83	53,974	70,204	16,230	23%	57%
May	7,366	200	9,740	3,992	57,966	79,944	21,978	27%	61%
June	22,386	1,315	7,676	801	58,767	87,620	28,853	33%	62%
Total Capital expenditure	109,717	94,449	87,620	58,767					

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of June amounts to R 801 thousand. The year to date capital budget is R 58, 767 million that give rise to under spending variance of R28, 853 million or 33%.

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

Description	2015/16	Budget Year 2016/17							
	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	78,112	36,500	35,057	760	27,374	35,057	7,683	22%	35,057
Infrastructure - Road transport	55,763	23,000	23,653	-	23,981	23,653	(327)	-1%	23,653
Roads, Pavements & Bridges	52,140	23,000	23,653	-	23,981	23,653	(327)	-1%	23,653
Storm water	3,613	-	-	-	-	-	-	-	-
Infrastructure - Electricity	22,359	13,000	11,404	760	3,394	11,404	8,010	70%	11,404
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	15,218	13,000	11,404	760	3,394	11,404	8,010	70%	11,404
Street Lighting	7,141	-	-	-	-	-	-	-	-
Infrastructure - Other	-	500	-	-	-	-	-	-	-
Waste Management	-	500	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	700	600	-	-	600	600	100%	600
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	600	600	-	-	600	600	100%	600
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	100	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	86	4,530	6,183	115	5,065	6,183	1,117	18%	6,183
General vehicles	-	2,500	2,253	-	2,253	2,253	-	-	2,253
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	350	1,550	88	1,494	1,550	56	4%	1,550
Furniture and other office equipment	-	300	400	27	172	400	228	57%	400
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	300	-	147	300	153	51%	300
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	86	1,380	1,680	-	999	1,680	681	41%	1,680
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	78,198	41,730	41,840	875	32,439	41,840	9,400	22%	41,840

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

Description	2015/16	Budget Year 2016/17							
	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	25,266	41,219	35,531	(74)	29,721	35,531	5,810	16%	35,531
Infrastructure - Road transport	24,824	39,719	35,531	(74)	29,721	35,531	5,810	16%	35,531
Roads, Pavements & Bridges	24,824	39,719	35,531	(74)	29,721	35,531	5,810	16%	35,531
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	1,500	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	1,500	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Other	442	-	-	-	-	-	-	-	-
Waste Management	442	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	77	10,000	8,772	-	-	8,772	8,772	100%	8,772
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	10,000	8,772	-	-	8,772	8,772	100%	8,772
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	77	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	4,847	1,500	1,477	-	545	1,477	932	63%	1,477
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	623	-	-	-	-	-	-	-	-
Furniture and other office equipment	237	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	600	-	-	600	600	100%	600
Other Buildings	3,699	1,500	877	-	545	877	332	38%	877
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	288	-	-	-	-	-	-	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	30,190	52,719	45,780	(74)	30,266	45,780	15,514	34%	45,780

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

Description	2015/16	Budget Year 2016/17							
	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/Sub-class									
Infrastructure	3,998	7,450	5,630	154	4,458	5,630	1,172	21%	5,630
Infrastructure - Road transport	1,788	3,300	1,300	114	771	1,300	529	41%	1,300
Roads, Pavements & Bridges	1,788	3,300	1,300	114	771	1,300	529	41%	1,300
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	1,001	1,800	1,780	40	1,802	1,780	(22)	-1%	1,780
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	1,001	1,800	1,780	40	1,802	1,780	(22)	-1%	1,780
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Other	1,209	2,350	2,550	1	1,885	2,550	665	26%	2,550
Waste Management	1,209	2,350	2,550	1	1,885	2,550	665	26%	2,550
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	5,599	6,765	7,843	462	7,246	7,843	597	8%	7,843
General vehicles	1,427	1,300	1,890	156	1,777	1,890	113	6%	1,890
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	2,749	1,500	1,900	237	2,331	1,900	(431)	-23%	1,900
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	1,154	2,500	3,607	69	2,965	3,607	642	18%	3,607
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	269	1,465	447	-	173	447	274	61%	447
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	9	500	25	-	19	25	6	23%	25
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	9	500	25	-	19	25	6	23%	25
Total Repairs and Maintenance Expenditure	9,606	14,715	13,498	616	11,723	13,498	1,775	13%	13,498

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

Description	2015/16	Budget Year 2016/17							
	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	43,432	32,638	44,841	-	-	44,841	44,841	100%	44,841
Infrastructure - Road transport	27,895	27,435	30,235	-	-	30,235	30,235	0	30,235
Roads, Pavements & Bridges	21,648	22,710	24,710	-	-	24,710	24,710	0	24,710
Storm water	6,247	4,725	5,525	-	-	5,525	5,525	0	5,525
Infrastructure - Electricity	13,538	3,903	12,306	-	-	12,306	12,306	0	12,306
Generation	-	2,328	-	-	-	-	-		-
Transmission & Reticulation	13,538	1,575	12,306	-	-	12,306	12,306	0	12,306
Street Lighting	-	-	-	-	-	-	-		-
Infrastructure - Other	1,999	1,300	2,300	-	-	2,300	2,300	0	2,300
Waste Management	1,999	1,300	2,300	-	-	2,300	2,300	0	2,300
Transportation	-	-	-	-	-	-	-		-
Gas	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Community	1,842	2,145	2,145	-	-	2,145	2,145	0	2,145
Parks & gardens	-	-	-	-	-	-	-		-
Sportsfields & stadia	-	-	-	-	-	-	-		-
Swimming pools	-	-	-	-	-	-	-		-
Community halls	-	-	-	-	-	-	-		-
Libraries	-	-	-	-	-	-	-		-
Recreational facilities	-	-	-	-	-	-	-		-
Fire, safety & emergency	-	-	-	-	-	-	-		-
Security and policing	-	-	-	-	-	-	-		-
Buses	-	-	-	-	-	-	-		-
Clinics	-	-	-	-	-	-	-		-
Museums & Art Galleries	-	-	-	-	-	-	-		-
Cemeteries	1,842	2,145	2,145	-	-	2,145	2,145	0	2,145
Social rental housing	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Heritage assets	-	-	-	-	-	-	-		-
Buildings	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Housing development	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Other assets	4,454	1,014	3,014	-	-	3,014	3,014	0	3,014
General vehicles	1,200	-	854	-	-	854	854	0	854
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment	1,800	854	2,000	-	-	2,000	2,000	0	2,000
Computers - hardware/equipment	16	20	20	-	-	20	20	0	20
Furniture and other office equipment	20	25	25	-	-	25	25	0	25
Abattoirs	-	-	-	-	-	-	-		-
Markets	-	-	-	-	-	-	-		-
Civic Land and Buildings	-	-	-	-	-	-	-		-
Other Buildings	1,405	100	100	-	-	100	100	0	100
Other Land	-	-	-	-	-	-	-		-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-		-
Other	13	15	15	-	-	15	15	0	15
Agricultural assets	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
Intangibles	-	-	-	-	-	-	-		-
Computers - software & programming	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Total Depreciation	49,728	35,797	50,000	-	-	50,000	50,000	0	50,000

Supporting table SC13a and SC13b provide details of capital expenditure in terms of asset classification based on new assets and renewal of existing assets; while table SC13c provide details of expenditure performance on repairs and maintenance by asset classification 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 R32, 439 million and the year to date budget is R41, 840 million which reflects under spending variance of R9, 400 million that translates to 22% variance. The year to date actuals on renewal of existing assets amounts R30, 266 million with the year to date budget of R45, 780 million and this reflects under spending variance of R15, 514 million that translates to 34% variance.

The year to date actual expenditure on repairs and maintenance is R616 thousand and the year to date budget is R11, 723 million, reflecting under spending variance of R13, 498 million that translates to 13%.

The depreciation and asset impairment is only projected to have movement at year end and hence the zero year to date actuals and budget thereof. This is basically attributed to unavailability of monthly depreciation figures and the absence of a link between asset management system and core financial system, however the municipality is working towards linking the two systems.

Quality certificate

I, **RAMAKGAHLELA MINAH MAREDI**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of June 2017 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 *Elias Motsoaledi*
Elias Motsoaledi
Local Municipality

Date *06/07/2017*
06 JUL 2017

Municipal Manager