

ELIAS MOTSOALEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

JULY 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	-	2,303	2,303	1,998	305	15%	23,981
Service charges	69,462	81,102	-	5,443	5,443	6,758	(1,315)	-19%	81,102
Investment revenue	3,780	3,829	-	398	398	319	79	25%	3,829
Transfers recognised - operational	216,641	213,105	-	87,745	87,745	17,759	69,986	394%	213,105
Other own revenue	14,480	15,589	-	1,506	1,506	1,299	207	16%	15,589
Total Revenue (excluding capital transfers and contributions)	326,759	337,606	-	97,396	97,396	28,134	69,262	246%	337,606
Employee costs	100,770	109,053	-	8,307	8,307	9,088	(781)	-9%	109,053
Remuneration of Councillors	19,638	18,908	-	1,615	1,615	1,576	40	3%	18,908
Depreciation & asset impairment	-	35,796	-	-	-	2,983	(2,983)	-100%	35,796
Finance charges	-	60	-	219	219	5	214	4285%	60
Materials and bulk purchases	67,255	68,906	-	7,582	7,582	5,742	1,840	32%	68,906
Transfers and grants	1,089	2,128	-	96	96	177	(82)	-46%	2,128
Other expenditure	107,587	94,063	-	11,091	11,091	7,839	3,252	41%	94,063
Total Expenditure	296,338	328,915	-	28,910	28,910	27,410	1,501	5%	328,915
Surplus/(Deficit)	30,421	8,690	-	68,486	68,486	724	67,762	9357%	8,690
Transfers recognised - capital	77,188	75,419	-	1,188	1,188	6,285	(5,097)	-81%	75,419
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	107,609	84,109	-	69,674	69,674	7,009	62,665	894%	84,109
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	107,609	84,109	-	69,674	69,674	7,009	62,665	894%	84,109
Capital expenditure & funds sources									
Capital expenditure	109,717	94,449	-	5,226	5,226	7,871	(2,644)	-34%	94,449
Capital transfers recognised	77,102	75,419	-	1,452	1,452	6,285	(4,832)	-77%	75,419
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	32,615	19,030	-	3,774	3,774	1,586	2,188	138%	19,030
Total sources of capital funds	109,717	94,449	-	5,226	5,226	7,871	(2,644)	-34%	94,449
Financial position									
Total current assets	55,763	72,418	-	-	135,155	-	-	-	72,418
Total non current assets	959,821	993,473	-	-	965,592	-	-	-	993,473
Total current liabilities	61,431	31,896	-	-	78,528	-	-	-	31,896
Total non current liabilities	90,070	90,513	-	-	83,594	-	-	-	90,513
Community wealth/Equity	864,083	943,481	-	-	938,624	-	-	-	943,481
Cash flows									
Net cash from (used) operating	95,115	119,326	-	77,171	77,048	9,944	(67,104)	-675%	119,326
Net cash from (used) investing	(107,971)	(89,449)	-	(5,226)	(5,226)	(7,454)	(2,228)	30%	(89,449)
Net cash from (used) financing	(416)	(8,857)	-	(778)	(778)	(738)	40	-5%	(8,857)
Cash/cash equivalents at the month/year end	11,695	27,259	-	-	82,739	7,990	(74,749)	-936%	32,716
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	9,167	3,456	1,638	1,388	1,331	1,355	7,902	27,001	53,236
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 2016 is R97, 396 million and the year to date budget of R28, 134 million and this reflects a positive variance of R69, 262 million that is attributed to disbursement of equitable share that is unconditional grant and as a result, the grant is recognized as revenue immediately upon receipt. Some major revenue item

categories reflect a negative variance as presented below except transfer recognized operational, Property rates, Rental of facilities, interest earned – external Investment interest on outstanding debtors and License and permits:

- Service Charges – Electricity Revenue: 16% unfavorable variance
- Service Charges – Refuse Revenue: 52% unfavorable variance
- Other Revenue: 53% unfavorable variance
- Fines: 45% unfavorable variance.

Operating Expenditure

The year to date operational expenditure as at end of July amounts to R28, 910 million and the year to date budget is R27, 410 million. This reflects an over-performance variance of R1, 501 million (5%). 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. With regard to finance charges the Amortization schedules were revised hence the material variance of 4285%, Transfer and grants variance of 46% is due to some pertinent transaction being classified as revenue forgone as opposed to transfer and grants.

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

Capital Expenditure

The year to date actual capital expenditure as at end of July 2016 amounts to R5, 226 million and the year to date budget amounts to R7, 871 million, giving rise to 34% under-spending variance for the month under review and this is attributed to major projects that have not yet kick-started. However, the capital expenditure for the month shows some improvements when compared to 2013/14, 2014/15 and 2015/16.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month is R69, 674 million that is mainly attributed to first tranche of equitable share that was received during the reporting period.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of July 2016 amounts to R53, 236 million and this shows a decrease of R595 thousand as compared to R53, 832 million as at end of 2015/16 financial year.

Consumer debtors is made up of service charges and property rates that amount to R23, 134 million and other debtors amounting to R26, 033 million.

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	248,808	246,631	-	90,935	90,935	20,553	70,382	342%	246,631
Executive and council	930	-	-	-	-	-	-	-	-
Budget and treasury office	247,871	246,619	-	90,933	90,933	20,552	70,382	342%	246,619
Corporate services	6	11	-	2	2	1	1	80%	11
Community and public safety	1,216	1,384	-	65	65	115	(51)	-44%	1,384
Community and social services	34	39	-	3	3	3	0	4%	39
Sport and recreation	1	3	-	-	-	0	(0)	-100%	3
Public safety	1,181	1,342	-	61	61	112	(50)	-45%	1,342
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	74,461	70,558	-	2,141	2,141	5,880	(3,739)	-64%	70,558
Planning and development	1,186	1,167	-	45	45	97	(53)	-54%	1,167
Road transport	73,275	69,391	-	2,097	2,097	5,783	(3,686)	-64%	69,391
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	79,462	94,452	-	5,443	5,443	7,871	(2,428)	-31%	94,452
Electricity	75,779	86,328	-	5,131	5,131	7,194	(2,063)	-29%	86,328
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	3,684	8,124	-	312	312	677	(365)	-54%	8,124
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	403,947	413,025	-	98,584	98,584	34,419	64,166	186%	413,025
Expenditure - Standard									
Governance and administration	139,984	158,368	-	14,804	14,804	13,197	1,607	12%	158,368
Executive and council	48,529	45,635	-	7,352	7,352	3,803	3,550	93%	45,635
Budget and treasury office	46,937	71,054	-	4,033	4,033	5,921	(1,888)	-32%	71,054
Corporate services	44,518	41,679	-	3,419	3,419	3,473	(55)	-2%	41,679
Community and public safety	20,793	23,423	-	1,472	1,472	1,952	(479)	-25%	23,423
Community and social services	8,856	9,521	-	690	690	793	(104)	-13%	9,521
Sport and recreation	708	1,431	-	30	30	119	(89)	-75%	1,431
Public safety	11,230	12,470	-	753	753	1,039	(286)	-28%	12,470
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	50,859	50,267	-	3,353	3,353	4,189	(836)	-20%	50,267
Planning and development	8,403	10,031	-	326	326	836	(510)	-61%	10,031
Road transport	42,456	40,236	-	3,027	3,027	3,353	(326)	-10%	40,236
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	84,702	96,858	-	9,281	9,281	8,071	1,209	15%	96,858
Electricity	65,619	78,171	-	7,594	7,594	6,514	1,080	17%	78,171
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	19,083	18,687	-	1,687	1,687	1,557	129	8%	18,687
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	296,338	328,915	-	28,910	28,910	27,410	1,501	5%	328,915
Surplus/ (Deficit) for the year	107,609	84,109	-	69,674	69,674	7,009	62,665	894%	84,109

Table C3 – Fin' Performance (Revenue and Expenditure by 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	247,871	246,619	-	90,933	90,933	20,552	70,382	342%	246,619
Vote 4 - Corporate Services	6	11	-	2	2	1	1	80%	11
Vote 5 - Community Services	9,752	14,568	-	803	803	1,214	(411)	-34%	14,568
Vote 6 - Technical Services	144,201	150,659	-	6,801	6,801	12,555	(5,754)	-46%	150,659
Vote 7 - Strategic Deveopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	1,186	1,167	-	45	45	97	(53)	-54%	1,167
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	403,947	413,025	-	98,584	98,584	34,419	64,166	186%	413,025
Expenditure by Vote									
Vote 1 - Executive & Council	31,709	27,109	-	2,247	2,247	2,259	(13)	-1%	27,109
Vote 2 - Office of the Municipal Manager	19,783	18,526	-	5,106	5,106	1,544	3,562	231%	18,526
Vote 3 - Budget & Treasury	46,937	71,054	-	4,033	4,033	5,921	(1,888)	-32%	71,054
Vote 4 - Corporate Services	20,284	27,391	-	2,203	2,203	2,283	(79)	-3%	27,391
Vote 5 - Community Services	44,723	47,723	-	3,561	3,561	3,977	(416)	-10%	47,723
Vote 6 - Technical Services	103,228	112,793	-	10,218	10,218	9,399	819	9%	112,793
Vote 7 - Strategic Deveopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	5,440	10,031	-	326	326	836	(510)	-61%	10,031
Vote 9 - Executive Support	24,234	14,288	-	1,215	1,215	1,191	25	2%	14,288
Total Expenditure by Vote	296,338	328,915	-	28,910	28,910	27,410	1,501	5%	328,915
Surplus/ (Deficit) for the year	107,609	84,109	-	69,674	69,674	7,009	62,665	894%	84,109

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	--	2,303	2,303	1,998	305	15%	23,981
Property rates - penalties & collection charges	--	--	--	--	--	--	--	--	--
Service charges - electricity revenue	65,779	73,328	--	5,131	5,131	6,111	(980)	-16%	73,328
Service charges - water revenue	--	--	--	--	--	--	--	--	--
Service charges - sanitation revenue	--	--	--	--	--	--	--	--	--
Service charges - refuse revenue	3,684	7,774	--	312	312	648	(336)	-52%	7,774
Service charges - other	--	--	--	--	--	--	--	--	--
Rental of facilities and equipment	841	912	--	409	409	76	333	437%	912
Interest earned - external investments	3,780	3,829	--	398	398	319	79	25%	3,829
Interest earned - outstanding debtors	5,872	6,123	--	525	525	510	15	3%	6,123
Dividends received	--	--	--	--	--	--	--	--	--
Fines	1,178	1,342	--	61	61	112	(50)	-45%	1,342
Licences and permits	4,852	5,060	--	427	427	422	5	1%	5,060
Agency services	--	--	--	--	--	--	--	--	--
Transfers recognised - operational	216,641	213,105	--	87,745	87,745	17,759	69,986	394%	213,105
Other revenue	1,737	2,152	--	85	85	179	(95)	-53%	2,152
Gains on disposal of PPE	--	--	--	--	--	--	--	--	--
Total Revenue (excluding capital transfers and contributions)	326,759	337,606	--	97,396	97,396	28,134	69,262	246%	337,606
Expenditure By Type									
Employee related costs	100,770	109,053	--	8,307	8,307	9,088	(781)	-9%	109,053
Remuneration of councillors	19,638	18,908	--	1,615	1,615	1,576	40	3%	18,908
Debt impairment	(2)	12,688	--	--	--	1,057	(1,057)	-100%	12,688
Depreciation & asset impairment	--	35,796	--	--	--	2,983	(2,983)	-100%	35,796
Finance charges	--	60	--	219	219	5	214	4285%	60
Bulk purchases	60,661	64,961	--	7,265	7,265	5,413	1,852	34%	64,961
Other materials	6,595	3,945	--	317	317	329	(12)	-4%	3,945
Contracted services	36,268	20,550	--	3,766	3,766	1,713	2,053	120%	20,550
Transfers and grants	1,089	2,128	--	96	96	177	(82)	-46%	2,128
Other expenditure	71,321	60,826	--	7,325	7,325	5,069	2,256	45%	60,826
Loss on disposal of PPE	--	--	--	--	--	--	--	--	--
Total Expenditure	296,338	328,915	--	28,910	28,910	27,410	1,501	5%	328,915
Surplus/(Deficit)	30,421	8,690	--	68,486	68,486	724	67,762	9357%	8,690
Transfers recognised - capital	77,188	75,419	--	1,188	1,188	6,285	(5,097)	-81%	75,419
Contributions recognised - capital	--	--	--	--	--	--	--	--	--
Contributed assets	--	--	--	--	--	--	--	--	--
Surplus/(Deficit) after capital transfers & contributions	107,609	84,109	--	69,674	69,674	7,009			84,109
Taxation	--	--	--	--	--	--	--	--	--
Surplus/(Deficit) after taxation	107,609	84,109	--	69,674	69,674	7,009			84,109
Attributable to minorities	--	--	--	--	--	--	--	--	--
Surplus/(Deficit) attributable to municipality	107,609	84,109	--	69,674	69,674	7,009			84,109
Share of surplus/ (deficit) of associate	--	--	--	--	--	--	--	--	--
Surplus/ (Deficit) for the year	107,609	84,109	--	69,674	69,674	7,009			84,109

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections or targets are on rental of facilities, Transfer recognized – operational and other revenue. In the case of expenditure, all the line items reflect immaterial variances except Finance charges, contracted services other expenditure and transfer and grants expenditure.

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

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

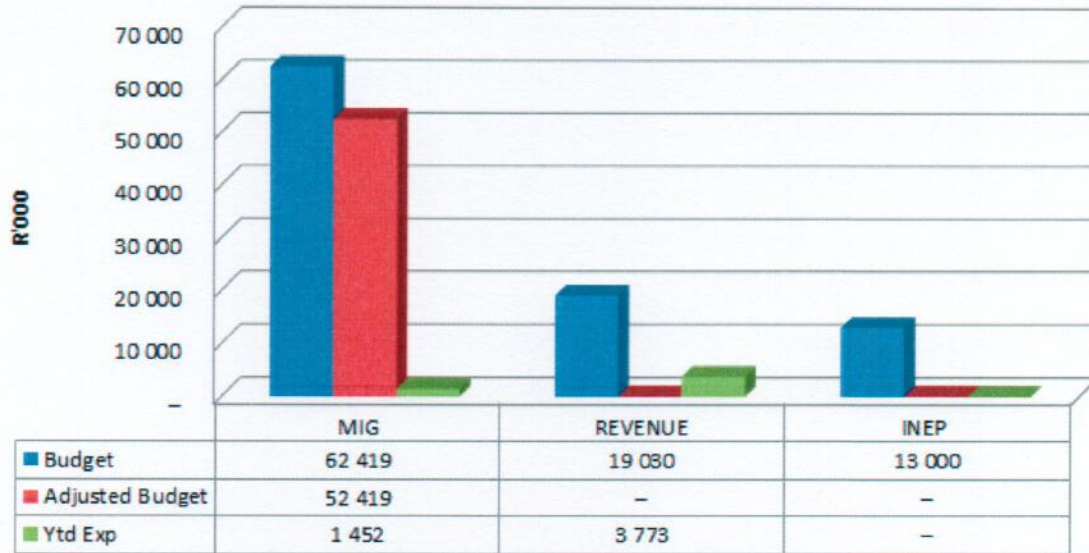
Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Capital Expenditure - Standard Classification									
Governance and administration	1,516	650	-	518	518	54	463	8.55448	650
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	1,516	650	-	518	518	54	463	8.55448	650
Community and public safety	77	1,380	-	28	28	115	(87)	-0.75739	1,380
Community and social services	77	1,200	-	28	28	100	(72)	-0.721	1,200
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	180	-	-	-	15	(15)	-1	180
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	85,527	77,019	-	4,681	4,681	6,418	(1,737)	-0.2707	77,019
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	85,527	77,019	-	4,681	4,681	6,418	(1,737)	-0.2707	77,019
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	22,597	15,400	-	-	-	1,283	(1,283)	-1	15,400
Electricity	22,155	14,500	-	-	-	1,208	(1,208)	-1	14,500
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	442	900	-	-	-	75	(75)	-1	900
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	109,717	94,449	-	5,226	5,226	7,871	(2,644)	-0.33599	94,449
Funded by:									
National Government	77,102	75,419	-	1,452	1,452	6,285	(4,832)	-0.7689	75,419
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	77,102	75,419	-	1,452	1,452	6,285	(4,832)	-0.7689	75,419
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	32,615	19,030	-	3,774	3,774	1,586	2,188	1.379702	19,030
Total Capital Funding	109,717	94,449	-	5,226	5,226	7,871	(2,644)	-0.33599	94,449

Table C5C: Monthly Capital Expenditure by 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	1,516	-	-	-	-	-	-	-	-
Vote 5 - Community Services	3,701	600	-	28	28	50	(22)	-44%	600
Vote 6 - Technical Services	67,323	63,619	-	4,681	4,681	5,302	(621)	-12%	63,619
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	72,540	64,219	-	4,709	4,709	5,352	(643)	-1%	64,219
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	650	-	518	518	54	(54)	-8%	650
Vote 5 - Community Services	-	2,180	-	-	-	182	(182)	-100%	2,180
Vote 6 - Technical Services	37,177	27,400	-	-	-	2,283	(2,283)	-100%	27,400
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	37,177	30,230	-	518	518	2,519	(2,519)	-8%	30,230
Total Capital Expenditure	109,717	94,449	-	5,226	5,226	7,871	(2,644)	-34%	94,449

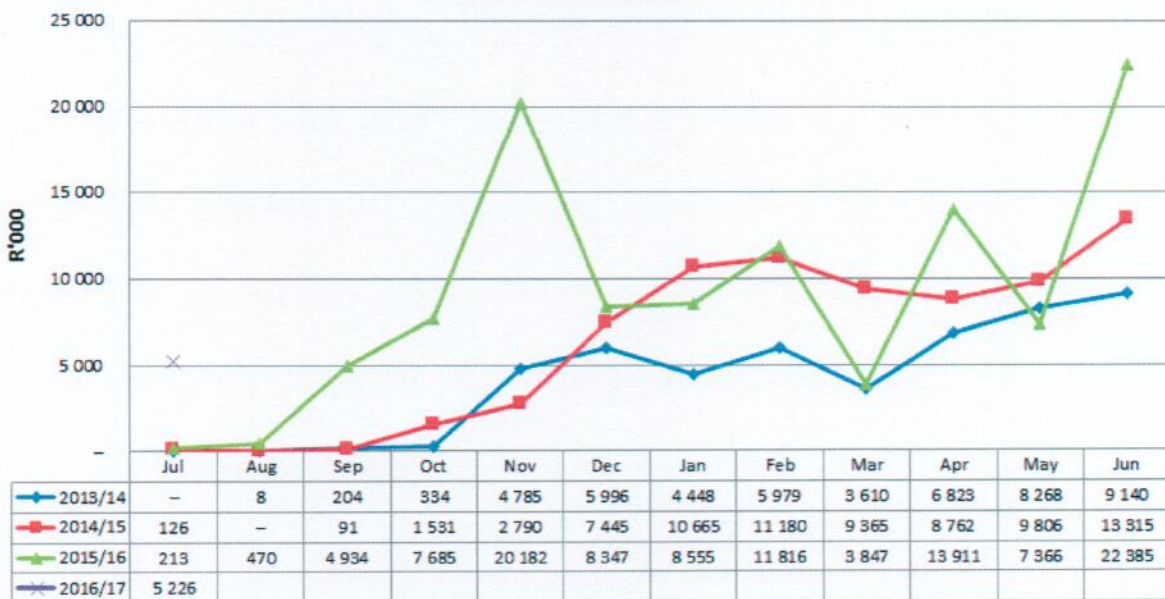
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of July 2016, R5, 226 million spending was incurred and the year to date expenditure is R5, 226 million whilst the year to date budget is R7, 871 million and this gave rise to an under-spending variance of R2, 644 million or 34%.

CAPEX - SOF



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R94, 449 million, R52, 419 million is funded from Municipal Infrastructure grant, R13 million from INEP and R19, 030 million from Own Revenue and the spending per source of finance is presented in the above graph.

CAPEX - MONTHLY



The above graph compares the 2015/16 and 2016/17 monthly capital expenditure performance.

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	4,655	3,247	–	16,117	3,247
Call investment deposits	7,040	33,369	–	66,622	33,369
Consumer debtors	23,703	18,947	–	23,134	18,947
Other debtors	16,988	13,855	–	26,033	13,855
Current portion of long-term receivables	–	–	–	–	–
Inventory	3,377	3,000	–	3,250	3,000
Total current assets	55,763	72,418	–	135,155	72,418
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	–	–	–	–	–
Investment property	89,472	89,472	–	89,472	89,472
Investments in Associate	–	–	–	–	–
Property, plant and equipment	858,735	891,663	–	864,506	891,663
Agricultural	–	–	–	–	–
Biological assets	–	–	–	–	–
Intangible assets	640	640	–	640	640
Other non-current assets	10,974	11,698	–	10,974	11,698
Total non current assets	959,821	993,473	–	965,592	993,473
TOTAL ASSETS	1,015,584	1,065,891	–	1,100,746	1,065,891
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	8,363	–	–	7,881	–
Consumer deposits	5,115	5,444	–	5,137	5,444
Trade and other payables	45,405	25,000	–	51,686	25,000
Provisions	2,547	1,452	–	13,824	1,452
Total current liabilities	61,431	31,896	–	78,528	31,896
Non current liabilities					
Borrowing	10,760	6,264	–	11,740	6,264
Provisions	79,310	84,249	–	71,854	84,249
Total non current liabilities	90,070	90,513	–	83,594	90,513
TOTAL LIABILITIES	151,501	122,409	–	162,122	122,409
NET ASSETS	864,083	943,481	–	938,624	943,481
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	864,083	943,481	–	938,624	943,481
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	864,083	943,481	–	938,624	943,481

The above table shows that community wealth amounts to R938, 624 million, total liabilities R162, 122 million and the total assets R1, 100 Million.

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									
Ratepayers and other	102,468	105,568	-	9,830	9,830	8,797	1,033	12%	105,568
Government - operating	216,652	213,105	-	87,660	87,660	17,759	69,901	394%	213,105
Government - capital	63,102	75,419	-	22,000	22,000	6,285	15,715	250%	75,419
Interest	8,815	5,666	-	520	398	472	(74)	-16%	5,666
Dividends	-	-	-	-	-	-	-		-
Payments									
Suppliers and employees	(294,860)	(278,243)	-	(42,525)	(42,525)	(23,187)	19,338	-83%	(278,243)
Finance charges	-	(60)	-	(219)	(219)	(5)	214	-4285%	(60)
Transfers and Grants	(1,062)	(2,128)	-	(96)	(96)	(177)	(82)	46%	(2,128)
NET CASH FROM/(USED) OPERATING ACTIVITIES	95,115	119,326	-	77,171	77,048	9,944	(67,104)	-675%	119,326
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1,746	5,000	-	-	-	417	(417)	-100%	5,000
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-		-
Payments									
Capital assets	(109,717)	(94,449)	-	(5,226)	(5,226)	(7,871)	(2,644)	34%	(94,449)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(107,971)	(89,449)	-	(5,226)	(5,226)	(7,454)	(2,228)	30%	(89,449)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-		-
Borrowing long term/refinancing	-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits	(416)	500	-	22	22	42	(20)	-48%	500
Payments									
Repayment of borrowing	-	(9,357)	-	(800)	(800)	(780)	20	-3%	(9,357)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(416)	(8,857)	-	(778)	(778)	(738)	40	-5%	(8,857)
NET INCREASE/ (DECREASE) IN CASH HELD	(13,272)	21,020	-	71,166	71,044	1,752			21,020
Cash/cash equivalents at beginning:	24,967	6,238	-		11,695	6,238			11,695
Cash/cash equivalents at month/year end:	11,695	27,259	-		82,739	7,990			32,716

Table C7 presents details pertaining to cash flow performance. For the month of July 2016, the net cash inflow from operating activities is R77, 171 million whilst net cash outflow from investing activities is R5, 226 million that is mainly comprised of capital expenditure movement; and the net cash inflow from financing activities is R778 thousand. The cash and cash equivalent held at the end of July 2016 amounted to R82, 739 million and the net effect of the above cash flows is cash inflow movement of R71, 044 million. The cash and cash equivalent at end of the reporting period is R82, 739 million that is made up of cash amounting R16, 117 million and short term investments of R66, 622 million as presented in Table A6 under current assets.

PART 2: SUPPORTING TABLES

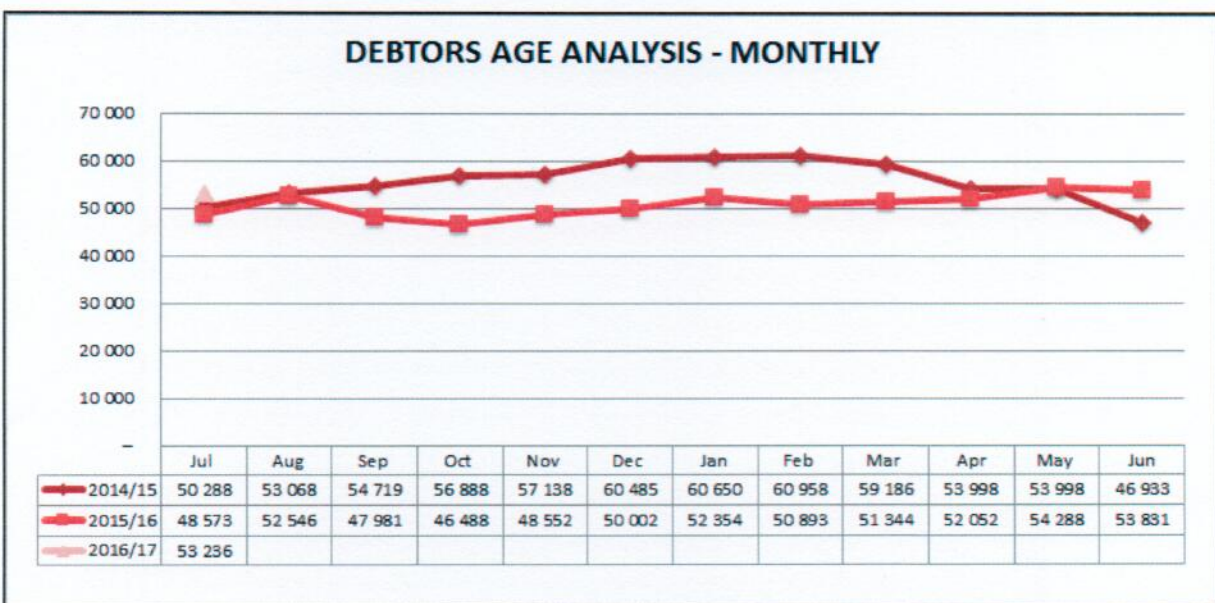
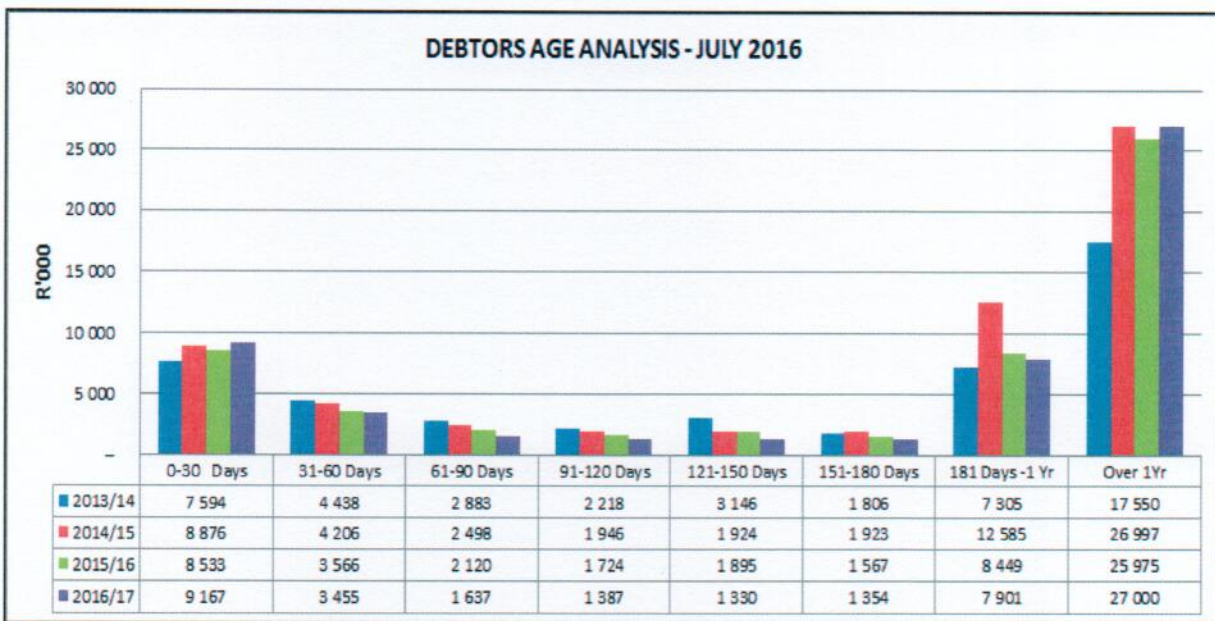
Supporting Table: SC 3 - Debtors Age Analysis

Description	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days -1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5,120	1,594	275	172	76	96	293	1,276	8,902
Receivables from Non-exchange Transactions - Property Rates	1400	2,298	1,066	729	711	653	624	3,563	17,514	27,159
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	331	119	57	43	35	34	188	1,171	1,979
Receivables from Exchange Transactions - Property Rental Debtors	1700	410	14	13	11	11	11	78	842	1,392
Interest on Arrear Debtor Accounts	1810	565	563	512	491	474	460	2,449	8,334	13,848
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-
Other	1900	443	100	51	(41)	81	129	1,330	(2,137)	(43)
Total By Income Source	2000	9,167	3,456	1,638	1,388	1,331	1,355	7,902	27,001	53,236
2015/16 - Totals only	0	8,534	3,566	2,120	1,724	1,895	1,567	8,450	25,975	53,832
Debtors Age Analysis By Customer Group										
Organs of State	2200	849	419	50	16	31	23	135	972	2,494
Commercial	2300	3,766	1,245	447	435	340	354	2,147	4,324	13,057
Households	2400	2,777	1,249	603	481	469	498	2,450	12,246	20,774
Other	2500	1,775	543	538	457	491	479	3,170	9,459	16,911
Total By Customer Group	2600	9,167	3,456	1,638	1,388	1,331	1,355	7,902	27,001	53,236

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of July amount to R53, 236 million. The debtors' book is made up as follows:

- Rates 51.02%
- Electricity 16,72%
- Rental 55,83%
- Refuse removal 3,72%
- Other - 0,08%

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 July 2016) whilst the latter shows monthly movement of debtors for both the current financial year and the 2015/16 financial year.

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

TOP TWENTY DEBTORS

ACCOUNT NO	Customer Name	ERF NUMBER	Type	Category	TOWN	BALANCE	HAND OVER
9012345	BREED J & OOSTHUIZEN J F	90-00000026-0000RG-0000	OCCUPIER		GROBLERSDAL	731,129	N
9900067	WATER PURIFICATION PLANT (SDM)	00-000000100-00000-0000	OCCUPIER	GOVERNMENT	GROBLERSDAL	703,854	Y
9000000	REPUBLIEK VAN SUID-AFRIKA	90-00000012-00000-0000	OWNER	AGRICULTURE	FARMS JS	272,275	Y
1501364	JAN JOUBERT TR (JO JO TANKS)	15-000001780-000000-0000	OWNER	INDUSTRIAL	GROBLERSDAL	265,038	N
6000908	DEPARTMENT OF EDUCATION	60-000000822-00000-0000	OWNER	RESIDENTIAL	MOTETEMA A	262,635	Y
9001077	ROYAL SQUARE INV 361 CC	90-000000177-00000-0000	OWNER		FARMS JS	242,984	Y
211693	BOXER SUPERSTORE ATT KERSHNEE	02-000000283-000000-0000	OCCUPIER	BUSINESS	GROBLERSDAL	240,534	N
9001035	NDEBELE MAHLANGU TRIBE	90-000000129-00000-0000	OWNER	AGRICULTURE	FARMS JS	227,350	Y
1200305	BUNGELA LAMOLA BOTTLE STORE	12-000000768-00000-0000	OCCUPIER	BUSINESS	GROBLERSDAL	226,364	N
9000804	NATIONAL GOVERNMENT REPUBLIC O	90-000000056-00002-0000	OWNER		FARMS JS	207,250	Y
9001052	NDEBELE STAM	90-000000153-00000-0000	OWNER	AGRICULTURE	FARMS JS	196,182	Y
9000628	LANDBOUNAVORSINGSRAAD	90-000000053-00111-0000	OWNER	AGRICULTURE	FARMS JS	192,407	Y
2913	SHOPRITE/CHECKERS	00-000000100-00001-0000	OCCUPIER	MUNICIPAL	GROBLERSDAL	188,324	Y
9001039	NDEBELE MAHLANGU TRIBE	90-000000133-00000-0000	OWNER		FARMS JS	186,121	Y
9001055	NDEBELE STAM	90-000000157-00000-0000	OWNER	AGRICULTURE	FARMS JS	182,029	Y
5050505	MOBILE TELEPHONE NETWORKS (PTY	50-000002677-000000-0000	OCCUPIER	BUSINESS	ROOSSENEKAL	181,717	N
201885	SHOPRITE CHECKERS (PTY) LTD	02-000000984-00000-0000	OCCUPIER	BUSINESS	GROBLERSDAL	179,563	N
9001050	NDEBELE STAM	90-000000151-00000-0000	OWNER	AGRICULTURE	FARMS JS	170,222	Y
400383	BEN J A FAMILIE TRUST JAFAMILIET	04-000000360-00000-0000	OWNER	BUSINESS	GROBLERSDAL	163,543	Y
9001550	Lehlakony Communal Prop. Ass	90-000000189-00000-0000	OWNER	AGRICULTURE	FARMS JS	157,674	Y
TOTAL						5,177,196	

Supporting Table: SC 4 - Creditors Age Analysis

Description	NT Code	Budget Year 2016/17								Total
		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	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-

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

TOP TWENTY CREDITORS PAID

TOP TWENTY CREDITORS		
CODE	CREDITOR NAME	AMOUNT
40063	TLOU INTERGATED TECH	590,963.77
7989	MUNSOFT (PTY) LTD	589,989.12
379	MONDE CONSULTING ENGINEERS	506,763.40
4001	MOKWENA MOTORS T/A NONYANE MOT	415,260.00
40059	MUNEI CONSULTING AND PROJECTS	354,712.58
32409	MAKGONATSOHLE TRADING ENTERPRI	174,776.00
41086	GOVERNANCE MUNICIPAL PUBLICATI	98,490.00
32028	MCETETE CATERING AND CONSTRUC	31,940.00
41114	FUTHARI TRADING	29,790.00
41087	SENZAKAHLE 2015 BUSINESS ENTER	29,550.00
70083	SEKHUKHUNE SEBATALADI HOLDINGS	28,992.00
37719	MAGNUM RESOURCES & TRADING	28,700.00
41092	THIZWIKONI TRADING 25	28,000.00
41043	RISE ARISE PTY LTD	27,930.00
892	MOKGOWE TRADING AND PROJECTS	27,600.00
32501	BIG SKY TRADING 200 CC	27,500.00
40093	KODUMELA MOEPA THUTSE	26,600.00
41060	PAPI INVESTMENT	25,650.00
31505	KWENAMEETSE TRANSPORT & ENTER	25,500.00
37622	DITAMPANE MANALE CONST & PROJE	25,500.00
TOTAL		3,094,206.87

The above table presents the top twenty creditors paid during the month of July 2016 and an amount of R3, 094 million was paid during the month under review.

Supporting Table: SC 5 - Investment Portfolio

Investments	Period of Investment	Type of Investment	Expiry date	Accrued interest	Yield for the month	MV - Opening	Change in MV	MV - Closing
Nedbank	2 Month	Short term	9/8/2016	200	7.60%	5,520	34,480	40,200
Nedbank		Short term	8/10/2016	99	7.50%	-	20,000	20,099
Absa - MIG	1 Months	Short term	7/31/2016	4	0.47%	744	-	748
Absa Call Account	1 Month	Short term	7/31/2016	4	0.65%	635	-	639
Municipality sub-total				306		6,899	54,480	61,686

Supporting table SC5 presents all investments that indicate that the total amount of R61, 686 million had been invested as at end of July 2016. The opening balance was R6, 899 million, an amount of R54, 480 million has been invested as addition during the current month and accrued interest for the month amounted to R306 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	-	87,660	87,660	89,376	(1,716)	-2%	213,105
Local Government Equitable Share	212,948	210,385	-	87,660	87,660	87,660	-		210,385
Finance Management	1,600	1,625	-	-	-	1,625	(1,625)	-100%	1,625
Municipal Systems Improvement	930	-	-	-	-	-	-		-
EPWP Incentive	1,163	1,095	-	-	-	91	(91)	-100%	1,095
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	216,641	213,105	-	87,660	87,660	89,376	(1,716)	-2%	213,105
Capital Transfers and Grants									
National Government:	63,102	75,419	-	22,000	22,000	23,083	(1,083)	-5%	75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	-	22,000	22,000	22,000	-		62,419
Intergrated National Electrification Grant	10,000	13,000	-	-	-	1,083	(1,083)	-100%	13,000
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	63,102	75,419	-	22,000	22,000	23,083	(1,083)	-5%	75,419
TOTAL RECEIPTS OF TRANSFERS & GRANTS	279,743	288,524	-	109,660	109,660	112,460	(2,800)	-2%	288,524

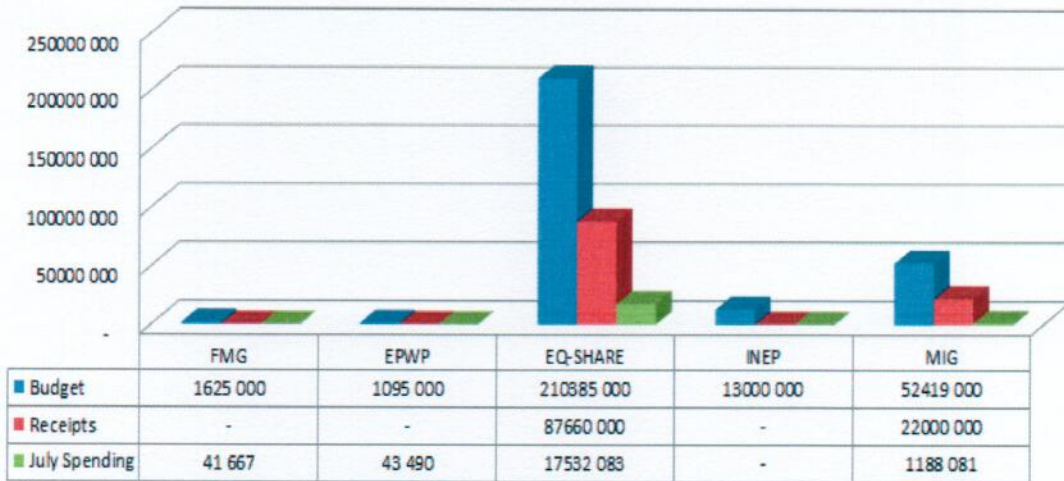
Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R109, 660 million of which the major portion is attributed to equitable share (i.e. R87, 660 million) received. All the grants allocated for the current financial year have been received as gazette.

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	-	17,617	17,617	17,759	(185)	-1%	213,105
Local Government Equitable Share	212,948	210,385	-	17,532	17,532	17,532	-		210,385
Finance Management	1,600	1,625	-	42	42	135	(94)	-69%	1,625
Municipal Systems Improvement	930	-	-	-	-	-	-		-
EPWP Incentive	1,163	1,095	-	43	43	91	(91)	-100%	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	-	17,617	17,617	17,759	(185)	-1%	213,105
Capital expenditure of Transfers and Grants									
National Government:	63,102	75,419	-	1,452	1,452	6,285	(6,285)	-100%	75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	-	1,188	1,188	5,202	(5,202)	-100%	62,419
Intergrated National Electrification Grant	10,000	13,000	-	-	-	1,083	(1,083)	-100%	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	-	1,452	1,452	6,285	(5,097)	-81.1%	75,419
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	279,743	288,524	-	18,805	18,805	24,044	(5,238)	-21.8%	288,524

An amount of R18, 805 million has been spent on grants during the month of July 2016 and the year to date actuals is R18, 805 million whilst the year to date budget amounts to R24, 044 million and this results in underspending variance of R5, 238 (21.8%). Of the total spending R17, 617 million is spent from operational grant whilst R1, 188 million is spent from capital grant (MIG). All the Grants are under-spending when comparing the year to date actuals with the projected budget thereof, except equitable shares.

GRANTS PERFORMANCE - JULY 2016



The above graph depicts the gazetted and adjusted budgeted amounts for all the grants and the expenditure thereof as at end of July 2016. The grants expenditure is shown below in percentages:

- Financial Management Grant 2,56%
- Expanded Public Work Programme 3,97%
- Equitable Share 8.33%
- Municipal Infrastructure Grant 2,27%
- Integrated National Electrification Grant 0%

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

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
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	12,625	13,424	–	1,118	1,118	1,119	(1)	0%	13,424
Pension and UIF Contributions	1,076	1,080	–	87	87	90	(3)	-3%	1,080
Medical Aid Contributions	339	275	–	33	33	23	10	42%	275
Motor Vehicle Allowance	3,983	4,000	–	343	343	333	10	3%	4,000
Cellphone Allowance	1,615		–	34	34	–	34	#DIV/0!	
Housing Allowances	–		–	–	–	–	–	–	
Other benefits and allowances	–	128	–	–	–	11	(11)	-100%	128
Sub Total - Councillors	19,638	18,908	–	1,615	1,615	1,576	40	3%	18,908
% increase		-4%							-4%
Senior Managers of the Municipality									
Basic Salaries and Wages	4,473	5,706	–	386	386	475	(89)	-19%	5,706
Pension and UIF Contributions	362	496	–	28	28	41	(13)	-32%	496
Medical Aid Contributions	169	86	–	8	8	7	0	5%	86
Overtime	–	–	–	–	–	–	–	–	–
Performance Bonus	–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	718	793	–	56	56	66	(10)	-15%	793
Cellphone Allowance	–	–	–	–	–	–	–	–	–
Housing Allowances	–	–	–	–	–	–	–	–	–
Other benefits and allowances	283	71	–	3	3	6	(3)	-57%	71
Payments in lieu of leave	–	–	–	–	–	–	–	–	–
Long service awards	–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality	6,005	7,153	–	481	481	596	(115)	-19%	7,153
% increase		19%							19%
Other Municipal Staff									
Basic Salaries and Wages	63,381	67,914	–	5,531	5,531	5,660	(129)	-2%	67,914
Pension and UIF Contributions	12,228	13,194	–	1,131	1,131	1,099	31	3%	13,194
Medical Aid Contributions	3,585	3,869	–	316	316	322	(7)	-2%	3,869
Overtime	2,589	1,060	–	106	106	88	17	20%	1,060
Performance Bonus	–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	5,437	7,693	–	589	589	641	(52)	-8%	7,693
Cellphone Allowance	–	–	–	–	–	–	–	–	–
Housing Allowances	137	158	–	13	13	13	(0)	-2%	158
Other benefits and allowances	6,083	6,458	–	78	78	538	(460)	-85%	6,458
Payments in lieu of leave	502	1,060	–	64	64	88	(24)	-27%	1,060
Long service awards	841	494	–	–	–	41	(41)	-100%	494
Post-retirement benefit obligations	–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff	94,763	101,900	–	7,827	7,827	8,492	(665)	-8%	101,900
% increase		8%							8%
Total Parent Municipality	120,405	127,962	–	9,923	9,923	10,663	(740)	-7%	127,962
% increase		6%							6%
TOTAL SALARY, ALLOWANCES & BENEFITS	120,405	127,962	–	9,923	9,923	10,663	(740)	-7%	127,962
% increase		6%							6%
TOTAL MANAGERS AND STAFF	100,767	109,053	–	8,308	8,308	9,088	(780)	-9%	109,053

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for July 2016 amounts to R9, 923 million (Year to date expenditure is R9, 923 million) and the expenditure for remuneration of councillors for the month amounts to R 1, 615 million while the year to date expenditure is R1, 615).

Description	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year +1	Budget Year +2	
	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Cash Receipts By Source																
Property rates	1,263	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	2,454	22,302	23,685	25,083	
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	6,778	4,596	4,717	5,070	4,889	5,210	5,465	5,517	6,597	6,628	7,389	5,341	68,195	72,423	76,696	
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse	283	551	551	551	551	551	551	551	551	551	551	818	6,608	7,017	7,431	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	44	71	71	71	71	71	71	71	71	71	71	98	848	901	954	
Interest earned - external investments	388	230	200	310	315	350	350	350	360	381	381	203	3,829	4,066	4,306	
Interest earned - outstanding debtors	182	153	153	153	153	153	153	153	153	153	153	124	1,837	1,951	2,066	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	18	18	21	18	18	48	41	42	42	42	42	75	403	428	453	
Licences and permits	427	422	422	422	422	422	422	422	422	422	422	417	5,060	5,373	5,691	
Agency services	-	438	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operating	87,660	-	-	-	70,457	-	-	329	52,596	-	-	1,625	213,105	227,853	243,113	
Other revenue	936	244	254	178	84	274	134	212	174	174	15	(528)	2,152	2,285	2,420	
Total Cash Receipts by Source	97,989	8,580	8,246	8,630	78,817	8,936	9,044	9,492	62,800	10,289	10,887	10,627	324,338	345,983	368,213	
Other Cash Flows by Source																
Transfer receipts - capital	22,000	-	3,640	22,435	2,730	3,900	-	2,730	19,198	-	-	(1,214)	75,419	66,212	69,386	
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	5,000	5,000	-	-	
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits	22	12	105	60	45	124	14	30	12	14	18	44	500	531	562	
Receipt of non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	120,011	8,592	11,991	31,125	81,592	12,960	9,058	12,252	82,010	10,303	10,905	14,458	405,257	412,726	438,161	
Cash Payments by Type																
Employee related costs	8,307	8,504	8,564	8,546	8,469	15,248	8,734	8,514	8,516	8,544	8,494	8,615	109,053	115,814	122,648	
Remuneration of councillors	1,615	1,576	1,576	1,576	1,576	1,576	1,576	1,576	1,576	1,576	1,576	1,538	18,908	20,081	21,265	
Interest paid	219	-	-	-	-	-	-	-	-	-	-	(159)	60	12	-	
Bulk purchases - Electricity	7,265	4,500	5,000	5,000	5,500	5,000	5,461	5,000	6,000	6,000	6,000	4,235	64,961	68,988	73,059	
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	317	193	351	134	555	173	441	136	480	197	266	704	3,945	4,190	4,437	
Contracted services	3,766	1,528	1,378	1,498	1,798	1,528	2,328	1,378	2,498	1,428	1,628	(201)	20,550	18,638	19,738	
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	96	227	152	152	202	152	152	227	152	252	152	209	2,128	2,260	2,393	
General expenses	7,325	5,958	5,574	4,964	5,829	3,841	5,087	6,017	4,513	4,661	4,873	2,183	60,826	60,495	61,379	
Total Cash Payments by Type	28,910	22,485	22,594	21,869	23,928	27,518	23,777	22,847	23,734	22,657	22,988	17,123	280,431	290,479	304,918	
Other Cash Flows/Payments by Type																
Capital assets	5,226	17,978	12,244	8,854	12,023	7,942	4,095	1,735	1,628	1,520	200	21,003	94,449	80,212	87,886	
Repayment of borrowing	800	780	780	780	780	780	780	780	780	780	780	780	9,357	6,264	-	
Other Cash Flows/Payments	14,031	-	-	-	-	-	-	-	-	-	-	(14,031)	-	-	-	
Total Cash Payments by Type	48,967	41,242	35,618	31,504	36,731	36,240	28,652	26,362	26,142	24,967	23,968	24,855	384,237	376,955	392,804	
NET INCREASE/(DECREASE) IN CASH HELD	71,044	(32,650)	(23,626)	(379)	44,861	(23,280)	(19,594)	(13,109)	55,868	(14,655)	(13,063)	(10,397)	21,020	35,771	45,357	
Cash/cash equivalents at the month/year beginning:	11,695	82,739	50,089	26,463	26,084	70,945	47,665	28,072	14,962	70,830	56,176	43,113	11,695	32,716	68,487	
Cash/cash equivalents at the month/year end:	82,739	50,089	26,463	26,084	70,945	47,665	28,072	14,962	70,830	56,176	43,113	32,716	32,716	68,487	113,843	

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly cash receipts reflect an amount of R 120, 910 million and the total cash payment for the month were R48 , 987 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2015/16	Budget Year 2016/17		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% - O. Budget
	Audited Outcome	Original Budget	Adjusted Budget						
Monthly expenditure									
July	214	15,914	-	5,226	5,226	15,914	10,688	67%	6%
August	471	19,478	-	-	-	35,392	-	-	-
September	4,934	14,244	-	-	-	49,636	-	-	-
October	7,685	8,854	-	-	-	58,491	-	-	-
November	20,182	14,023	-	-	-	72,514	-	-	-
December	8,347	7,942	-	-	-	80,456	-	-	-
January	8,556	5,595	-	-	-	86,051	-	-	-
February	11,817	1,735	-	-	-	87,786	-	-	-
March	3,847	1,628	-	-	-	89,414	-	-	-
April	13,912	3,520	-	-	-	92,934	-	-	-
May	7,366	200	-	-	-	93,134	-	-	-
June	22,386	1,315	-	-	-	94,449	-	-	-
Total Capital expenditure	109,717	94,449	-	5,226					

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of July amounts to R5, 226 million. The capital budget spending is way below the projected spending for July and this result in the spending projection target not being achieved.

In terms of the budget projection for the month, the spending was anticipated to be at R15, 914 million and only R5, 226 million has actually been spent. This reflects under spending variance of 67%.

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	77,040	36,500	-	861	861	3,042	2,180	72%	36,500
Infrastructure - Road transport	55,743	23,000	-	861	861	1,917	1,055	55%	23,000
Roads, Pavements & Bridges	52,130	23,000	-	861	861	1,917	1,055	55%	23,000
Storm water	3,613	-	-	-	-	-	-	-	-
Infrastructure - Electricity	21,297	13,000	-	-	-	1,083	1,083	100%	13,000
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	14,156	13,000	-	-	-	1,083	1,083	100%	13,000
Street Lighting	7,141	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	500	-	-	-	42	42	100%	500
Waste Management	-	500	-	-	-	42	42	100%	500
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	700	-	-	-	58	58	100%	700
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	600	-	-	-	50	50	100%	600
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	100	-	-	-	8	8	100%	100
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	857	4,530	-	2,798	2,798	378	(2,420)	-641%	4,530
General vehicles	-	2,500	-	2,253	2,253	208	(2,044)	-981%	2,500
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	350	-	518	518	29	(488)	-1674%	350
Furniture and other office equipment	-	300	-	-	-	25	25	100%	300
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	857	1,380	-	28	28	115	87	76%	1,380
Agricultural assets	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	77,898	41,730	-	3,659	3,659	3,478	(182)	-5%	41,730

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	
Renewal of existing assets by Asset Class/Sub-class										
Infrastructure	24,351	41,219	--	1,567	1,567	3,435	1,868	54%	41,219	
Infrastructure - Road transport	23,064	39,719	--	1,567	1,567	3,310	1,743	53%	39,719	
Roads, Pavements & Bridges	23,064	39,719	--	1,567	1,567	3,310	1,743	53%	39,719	
Storm water	--	--	--	--	--	--	--	--	--	
Infrastructure - Electricity	532	1,500	--	--	--	125	125	100%	1,500	
Generation	--	--	--	--	--	--	--	--	--	
Transmission & Reticulation	532	1,500	--	--	--	125	125	100%	1,500	
Street Lighting	--	--	--	--	--	--	--	--	--	
Infrastructure - Water	--	--	--	--	--	--	--	--	--	
Dams & Reservoirs	--	--	--	--	--	--	--	--	--	
Water purification	--	--	--	--	--	--	--	--	--	
Reticulation	--	--	--	--	--	--	--	--	--	
Infrastructure - Sanitation	--	--	--	--	--	--	--	--	--	
Reticulation	--	--	--	--	--	--	--	--	--	
Sewerage purification	--	--	--	--	--	--	--	--	--	
Infrastructure - Other	755	--	--	--	--	--	--	--	--	
Waste Management	755	--	--	--	--	--	--	--	--	
Transportation	--	--	--	--	--	--	--	--	--	
Gas	--	--	--	--	--	--	--	--	--	
Other	--	--	--	--	--	--	--	--	--	
Community	--	10,000	--	--	--	833	833	100%	10,000	
Parks & gardens	--	--	--	--	--	--	--	--	--	
Sportsfields & stadia	--	10,000	--	--	--	833	833	100%	10,000	
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	7,469	1,500	--	--	--	125	125	100%	1,500	
General vehicles	--	--	--	--	--	--	--	--	--	
Specialised vehicles	--	--	--	--	--	--	--	--	--	
Plant & equipment	--	--	--	--	--	--	--	--	--	
Computers - hardware/equipment	623	--	--	--	--	--	--	--	--	
Furniture and other office equipment	537	--	--	--	--	--	--	--	--	
Abattoirs	--	--	--	--	--	--	--	--	--	
Markets	--	--	--	--	--	--	--	--	--	
Civic Land and Buildings	77	--	--	--	--	--	--	--	--	
Other Buildings	5,876	1,500	--	--	--	125	125	100%	1,500	
Other Land	--	--	--	--	--	--	--	--	--	
Surplus Assets - (Investment or Inventory)	--	--	--	--	--	--	--	--	--	
Other	356	--	--	--	--	--	--	--	--	
Agricultural assets	--	--	--	--	--	--	--	--	--	
N/A	--	--	--	--	--	--	--	--	--	
Biological assets	--	--	--	--	--	--	--	--	--	
N/A	--	--	--	--	--	--	--	--	--	
Intangibles	--	--	--	--	--	--	--	--	--	
Computers - software & programming	--	--	--	--	--	--	--	--	--	
Other	--	--	--	--	--	--	--	--	--	
Total Capital Expenditure on renewal of existing assets	31,820	52,719	--	1,567	1,567	4,393	2,826	64%	52,719	

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									
Infrastructure	3,093	7,450	-	210	210	621	411	66%	7,450
Infrastructure - Road transport	883	3,300	-	-	-	275	275	100%	3,300
Roads, Pavements & Bridges	883	3,300	-	-	-	275	275	100%	3,300
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	1,001	1,800	-	65	65	150	85	57%	1,800
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	1,001	1,800	-	65	65	150	85	57%	1,800
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	1,209	2,350	-	145	145	196	51	26%	2,350
Waste Management	1,209	2,350	-	145	145	196	51	26%	2,350
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	x	-	-	-	-	-
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	-	276	276	564	288	51%	6,765
General vehicles	1,427	1,300	-	215	215	108	(108)	-98%	1,300
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	2,749	1,500	-	38	38	125	87	70%	1,500
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	1,154	2,500	-	-	-	208	208	100%	2,500
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	269	1,465	-	23	23	122	99	81%	1,465
Agricultural assets	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Intangibles	9	500	-	-	-	42	42	100%	500
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	9	500	-	-	-	42	42	100%	500
Total Repairs and Maintenance Expenditure	8,701	14,715	-	485	485	1,226	741	60%	14,715

Supporting table SC13a and SC13b provide details of capital expenditure in terms of asset classification based on new assets and renewal of existing assets; while table SC13c provide details of expenditure performance on repairs and maintenance by asset classification. These tables present the capital programme performance of the Municipality.

The total expenditure for new capital projects amounts to R3, 659 million and the year to date budget is R3, 478 million which reflects 5% under spending variance. The spending on renewal of existing assets for July amounts R1, 567 million and the year to date actual is R1, 567 million with the year to date budget reflecting an amount of R4, 393 million and this reflects 64%. The actual expenditure for the month of July 2016 on repairs and maintenance is R485 thousand and the year to date actuals is R485 million while the year to date budget is R1, 226 million, reflecting spending variance of 60%.

Quality certificate

I, **RAMAKGAHLELA MINAH MAREDI**, the Municipal Manager of **ELIAS MOTSOALEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of July 2016 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 L. Maredi

Date 17/5/2016