

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

MARCH 2019

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PART 1: IN - YEAR REPORT

PURPOSE

To report to the Council and submit to National and Provincial Treasury on the monthly financial performance of the Municipality as required by Section 71 of the Municipal Finance Management Act.

EXECUTIVE SUMMARY

Section 71 of the Municipal Finance Management Act deals with requirements for in-year reporting and further state that the Accounting Officer of the Municipality must by no later than 10 working days after end of each month submit to the 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

SUMMARY OF BUDGET AND ACTUALS 2018/19				
DESCRIPTION	2018/19			
	ORIGINAL BUDGET	ADJUSTMENT	YTD ACTUAL	PERCENTAGE
OPERATING REVENUE	476,783,655	455,696,679	367,442,621	81%
OPERATING EXPENDITURE	471,307,984	449,168,594	325,949,594	73%
TRANSFER - CAPITAL	63,830,003	64,278,678	50,297,272	78%
SURPLUS/(DEFICIT)	69,305,674	70,806,762	91,790,298	130%
CAPITAL EXPENDITURE	75,868,928	71,369,772	52,733,794	74%

Table C1 – Budget Statement Summary

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	25,978	36,650	33,010	2,564	25,849	24,316	1,534	6%	36,650
Service charges	74,874	101,546	89,925	7,012	66,935	67,731	(797)	-1%	101,546
Investment revenue	2,928	3,000	2,800	56	1,298	1,932	(635)	-33%	3,000
Transfers and subsidies	226,163	245,278	245,278	59,791	239,814	245,508	(5,695)	-2%	245,278
Other own revenue	94,037	90,309	84,683	3,864	33,547	58,002	(24,454)	-42%	90,309
Total Revenue (excluding capital transfers)	423,980	476,783	455,697	73,287	367,443	397,489	(30,046)	-8%	476,783
Employee costs	127,202	134,149	130,473	10,894	106,102	102,065	4,037	4%	134,149
Remuneration of Councillors	22,874	25,070	24,291	1,938	17,427	17,770	(343)	-2%	25,070
Depreciation & asset impairment	53,654	51,181	51,181	-	25,989	38,617	(12,628)	-33%	51,181
Finance charges	281	2,500	2,900	297	915	1,430	(515)	-36%	2,500
Materials and bulk purchases	78,408	97,093	78,909	5,866	58,741	56,052	2,689	5%	97,093
Transfers and subsidies	841	4,404	3,580	557	1,836	2,416	(579)	-24%	4,404
Other expenditure	238,169	156,909	157,835	8,819	114,938	118,729	(3,791)	-3%	156,909
Total Expenditure	521,428	471,306	449,169	28,371	325,950	337,080	(11,130)	-3%	471,306
Surplus/(Deficit)	(97,448)	5,477	6,528	44,916	41,493	60,409	(18,916)	-31%	5,477
Transfers and subsidies - capital (monetary allocations)	97,901	63,830	64,279	5,329	50,297	47,565	2,732	6%	63,830
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers	453	69,307	70,807	50,245	91,790	107,974	(16,184)	-15%	69,307
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	453	69,307	70,807	50,245	91,790	107,974	(16,184)	-15%	69,307
Capital expenditure & funds sources									
Capital expenditure	107,563	75,869	71,370	5,677	52,734	50,466	2,268	4%	75,869
Capital transfers recognised	83,864	55,504	55,953	3,971	48,491	43,221	5,270	12%	55,504
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	23,699	20,365	15,417	1,706	4,243	7,245	(3,002)	-41%	20,365
Total sources of capital funds	107,563	75,869	71,370	5,677	52,734	50,466	2,268	4%	75,869
Financial position									
Total current assets	65,342	120,845	127,079		224,613				120,845
Total non current assets	1,018,848	1,083,492	1,083,492		1,050,907				1,083,492
Total current liabilities	91,339	73,138	66,949		134,425				73,138
Total non current liabilities	93,955	116,629	109,192		121,097				116,629
Community wealth/Equity	898,896	1,014,570	1,034,431		1,019,998				1,014,570
Cash flows									
Net cash from (used) operating	96,019	83,769	90,520	82,738	135,992	61,698	(74,294)	-120%	83,769
Net cash from (used) investing	(103,972)	(71,869)	(65,801)	(1,255)	(43,287)	(49,607)	(6,320)	13%	(71,869)
Net cash from (used) financing	(6,900)	(9,829)	(6,640)	(112)	(8,325)	57	8,382	14704%	(9,829)
Cash/cash equivalents at the month/year end	6,194	18,039	24,273	-	90,575	18,342	(72,232)	-394%	8,265
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	11,065	3,842	2,315	2,142	1,957	1,820	10,958	43,048	77,147
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 March is R367, 443 million and the year to date budget of R397, 489 million and this reflects a negative variance of R30, 046 million that can be attributed to the understated traffic fines revenue that is not wholly accounted for in the financial system due to non-integration of traffic fine management system and core financial system. The following are the secondary revenue item categories reflecting a negative and negative material variance:

- Interest earned - external investments: 33% unfavorable variance,

- Interest earned – outstanding debtors: 30% unfavorable variance,
- Rental on Facilities and Equipment: 15% unfavorable variance,
- Fines, penalties and forfeits: 53% unfavorable variance
- Transfer and Subsidies: 2% favorable variance
- Services Charges – electricity revenue: 1% unfavorable variance
- Services Charges – refuse revenue: 1% unfavorable variance
- Licenses and permits: 12% unfavorable variance

Operating Expenditure

The year to date operational expenditure as at end of March amounts to R325, 950 million and the year to date budget is R337, 080 million. This reflects underspending variance of R11, 130 million that translates to 3% variance. The variance is attributed underspending variance on depreciation and asset impairment and debt impairment that the municipality is still facing a challenge regarding the computation of monthly movement of the two accounts.

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

- Finance charges: 36% under performance variance,
- Depreciation and asset impairment: 33% under performance variance
- Debt impairment: 20% under performance variance
- Transfers and subsidies: 24% under performance variance

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

Capital Expenditure

The year to date actual capital expenditure as at end of March 2019 amounts to R52, 734 million and the year to date budget amounts to R50, 466 million and this gives rise to R2, 268 million under performance variance that is attributed to delays in the appointment of service providers for internally funded capital projects. The budget for internally funded capital projects had to be adjusted downwards during the main adjustment budget due to unfavorable cash flow position that the municipality is faced with. The procurement plans have been developed however, they are not fully implemented. These procurement plans were intended to guide the spending pattern on capital projects and partial implementation thereof makes it difficult for the municipality to forecast the cash flow projections.

Surplus/Deficit

Taking the total revenue and expenditure performance into consideration, the net operating surplus for the month of March 2019 is R41, 493 million that is mainly used for funding internally funded capital projects.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of March amounts to R77, 147 million and this shows an increase of R14, 465 million as compared to R62, 681 million as at end of 2017/18 financial year. This increase portrays improved revenue collection of the municipality as the higher the collection rate the lesser the increase in consumer debtors.

Consumer debtors is made up of service charges and property rates that amount to R44, 940 million and other debtors amounting to R32, 207 million. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, they do not form part of consumer debtors.

Creditors

The municipality is currently striving for paying its creditors within 30 days of receipt of invoice as required by MFMA. However, the municipality has instances where the cash flow position was quite unfavourable and it was then unable to service certain creditors as and when they became due. This resulted in the municipality incurring penalties and/or fruitless and wasteful expenditure due to late payment.

Table C2 – Financial Performance (Standard Classification)

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	183,232	203,714	198,283	46,098	179,922	189,201	(9,279)	-5%	203,714
Executive and council	35,581	42,873	42,873	7,287	40,562	42,873	(2,311)	-5%	42,873
Finance and administration	141,249	152,939	147,508	36,866	131,428	138,426	(6,998)	-5%	152,939
Internal audit	6,402	7,902	7,902	1,945	7,932	7,902	30	0%	7,902
Community and public safety	9,881	18,637	18,650	5,643	21,002	18,647	2,356	13%	18,637
Community and social services	3,412	7,973	7,973	1,997	11,295	7,970	3,324	42%	7,973
Sport and recreation	6,469	10,664	10,677	3,646	9,708	10,676	(969)	-9%	10,664
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	206,569	185,532	182,239	16,591	117,737	139,819	(22,082)	-16%	185,532
Planning and development	6,605	17,319	17,107	4,403	13,053	16,914	(3,861)	-23%	17,319
Road transport	199,121	167,196	164,114	11,946	103,653	121,887	(18,234)	-15%	167,196
Environmental protection	842	1,018	1,018	242	1,030	1,018	12	1%	1,018
Trading services	122,199	132,730	120,804	10,284	99,079	97,388	1,692	2%	132,730
Energy sources	91,510	109,537	102,039	9,598	80,230	80,848	(618)	-1%	109,537
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	30,689	23,193	18,765	686	18,849	16,540	2,310	14%	23,193
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	521,880	540,613	519,975	78,616	417,740	445,054	(27,314)	-6%	540,613
Expenditure - Functional									
Governance and administration	213,465	176,004	184,555	14,367	149,993	146,010	3,982	3%	176,004
Executive and council	39,711	42,558	39,998	3,132	30,271	30,468	(197)	-1%	42,558
Finance and administration	167,531	125,652	135,446	11,028	113,134	108,096	5,038	5%	125,652
Internal audit	6,223	7,795	9,111	206	6,587	7,446	(859)	-12%	7,795
Community and public safety	14,010	18,191	15,276	795	8,166	10,480	(2,314)	-22%	18,191
Community and social services	6,687	7,709	5,563	377	3,571	3,963	(392)	-10%	7,709
Sport and recreation	7,323	10,481	9,713	418	4,595	6,517	(1,922)	-29%	10,481
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	125,722	149,194	133,138	4,907	90,057	99,019	(8,963)	-9%	149,194
Planning and development	14,195	23,848	15,813	929	10,386	10,938	(552)	-5%	23,848
Road transport	110,877	124,365	116,597	3,933	79,179	87,538	(8,359)	-10%	124,365
Environmental protection	650	981	728	45	492	543	(51)	-9%	981
Trading services	168,230	127,918	116,200	8,302	77,735	81,570	(3,836)	-5%	127,918
Energy sources	140,094	105,653	92,646	6,365	56,958	61,717	(4,759)	-8%	105,653
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	28,136	22,265	23,554	1,937	20,777	19,854	923	5%	22,265
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	521,428	471,306	449,169	28,371	325,950	337,080	(11,130)	-3%	471,306
Surplus/ (Deficit) for the year	453	69,307	70,807	50,245	91,790	107,974	(16,184)	-15%	69,307

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

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	31,540	38,168	38,168	6,237	35,733	38,168	(2,436)	-6%	38,168
Vote 2 - Municipal Manager	15,805	31,469	31,469	9,846	24,626	31,469	(6,843)	-22%	31,469
Vote 3 - Budget & Treasury	83,272	64,695	59,272	11,497	52,062	50,158	1,904	4%	64,695
Vote 4 - Corporate Services	34,041	39,939	39,931	11,656	43,267	39,963	3,303	8%	39,939
Vote 5 - Community Services	131,423	127,644	120,478	8,047	73,148	93,591	(20,442)	-22%	127,644
Vote 6 - Technical Services	211,539	211,110	203,280	24,091	165,851	164,522	1,330	1%	211,110
Vote 7 - Developmental Planning	1,529	11,493	11,282	3,137	7,040	11,089	(4,049)	-37%	11,493
Vote 8 - Executive Support	12,731	16,094	16,094	4,106	16,013	16,094	(82)	-1%	16,094
Total Revenue by Vote	521,880	540,613	519,975	78,616	417,740	445,054	(27,314)	-6%	540,613
Expenditure by Vote									
Vote 1 - Executive & Council	36,404	37,886	35,307	2,790	25,827	24,216	1,611	7%	37,886
Vote 2 - Municipal Manager	20,075	31,112	37,306	5,089	34,586	20,456	14,130	69%	31,112
Vote 3 - Budget & Treasury	89,906	47,233	51,072	2,723	53,034	28,153	24,881	88%	47,233
Vote 4 - Corporate Services	39,301	37,865	30,600	1,349	17,942	22,903	(4,961)	-22%	37,865
Vote 5 - Community Services	123,541	105,457	100,333	4,794	63,957	42,144	21,813	52%	105,457
Vote 6 - Technical Services	188,616	185,027	167,702	9,875	111,776	112,674	(898)	-1%	185,027
Vote 7 - Developmental Planning	7,999	11,188	9,977	520	5,920	7,134	(1,213)	-17%	11,188
Vote 8 - Executive Support	15,585	15,539	16,872	1,232	12,908	10,226	2,681	26%	15,539
Total Expenditure by Vote	521,428	471,306	449,168	28,371	325,950	267,906	58,044	22%	471,306
Surplus/ (Deficit) for the year	453	69,307	70,807	50,245	91,790	177,148	(85,357)	-48%	69,307

Table C2 and C3 measure the monthly actuals and year to date actuals against the year to date budget. The aforementioned budget tables are presented by standard classification and vote respectively for both revenue and expenditure. The variances are all reflected in the year-to-date variance column.

The financial results portrayed in the two tables are the same as those in other tables (i.e. it is only the description or basis of reporting that is based on financial or budget performance by vote or department, and National Treasury’s standard classification.

Table C4: Financial Performance by Revenue Source and Expenditure Type

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	25,978	36,650	33,010	2,564	25,849	24,316	1,534	6%	36,650
Service charges - electricity revenue	67,575	89,297	81,798	6,341	60,953	61,676	(723)	-1%	89,297
Service charges - water revenue							-		
Service charges - sanitation revenue							-		
Service charges - refuse revenue	7,299	12,249	8,127	672	5,982	6,055	(73)	-1%	12,249
Service charges - other	-						-		
Rental of facilities and equipment	944	1,220	1,000	23	577	677	(100)	-15%	1,220
Interest earned - external investments	2,928	3,000	2,800	56	1,298	1,932	(635)	-33%	3,000
Interest earned - outstanding debtors	9,693	8,161	6,692	826	4,071	5,793	(1,722)	-30%	8,161
Dividends received	-						-		
Fines, penalties and forfeits	67,325	73,218	70,209	37	21,786	46,655	(24,869)	-53%	73,218
Licences and permits	4,956	4,950	5,200	211	3,405	3,859	(454)	-12%	4,950
Agency services	-						-		
Transfers and subsidies	226,163	245,278	245,278	59,791	239,814	245,508	(5,695)	-2%	245,278
Other revenue	11,118	2,761	1,582	2,768	3,708	1,018	2,690	264%	2,761
Gains on disposal of PPE						-	-		
Total Revenue (excluding capital transfers)	423,980	476,783	455,697	73,287	367,443	397,489	(30,046)	-8%	476,783
Expenditure By Type									
Employee related costs	127,202	134,149	130,473	10,894	106,102	102,065	4,037	4%	134,149
Remuneration of councillors	22,874	25,070	24,291	1,938	17,427	17,770	(343)	-2%	25,070
Debt impairment	74,839	53,421	55,000	-	31,176	39,038	(7,862)	-20%	53,421
Depreciation & asset impairment	53,654	51,181	51,181	-	25,989	38,617	(12,628)	-33%	51,181
Finance charges	281	2,500	2,900	297	915	1,430	(515)	-36%	2,500
Bulk purchases	68,602	80,000	70,000	4,970	51,827	49,727	2,100	4%	80,000
Other materials	9,806	17,093	8,909	897	6,914	6,325	588	9%	17,093
Contracted services	67,951	60,020	59,841	6,180	49,489	47,928	1,561	3%	60,020
Transfers and subsidies	841	4,404	3,580	557	1,836	2,416	(579)	-24%	4,404
Other expenditure	93,908	43,468	42,994	2,639	34,274	31,764	2,510	8%	43,468
Loss on disposal of PPE	1,470			-	-	-	-		
Total Expenditure	521,428	471,306	449,169	28,371	325,950	337,080	(11,130)	-3%	471,306
Surplus/(Deficit)	(97,448)	5,477	6,528	44,916	41,493	60,409	(18,916)	-31%	5,477
Transfers and subsidies - capital (monetary allocations)	97,901	63,830	64,279	5,329	50,297	47,565	2,732	6%	63,830
Transfers and subsidies - capital (monetary allocations)							-		
Transfers and subsidies - capital (in-kind - all)							-		
Surplus/(Deficit) after capital transfers	453	69,307	70,807	50,245	91,790	107,974			69,307
Taxation									
Surplus/(Deficit) after taxation	453	69,307	70,807	50,245	91,790	107,974			69,307
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	453	69,307	70,807	50,245	91,790	107,974			69,307
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	453	69,307	70,807	50,245	91,790	107,974			69,307

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

In the case of expenditure, the following line items reflect material variance; debt impairment, depreciation and asset impairment, finance charges, other materials, and transfer and subsidies.

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

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

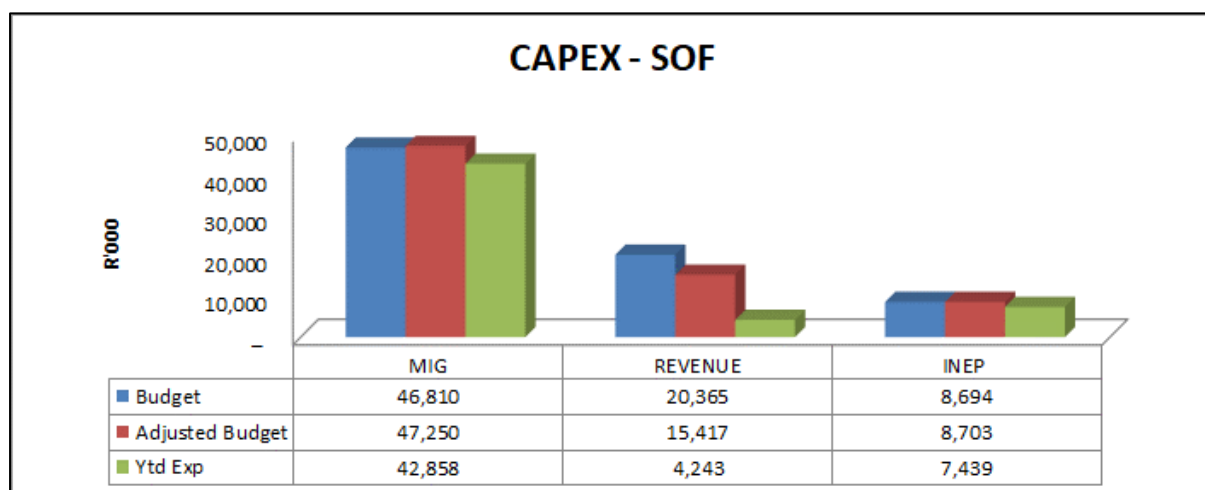
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	1,110	1,700	2,200	428	1,225	1,140	85	7%	1,700
Executive and council							-		
Finance and administration	1,110	1,700	2,200	428	1,225	1,140	85	7%	1,700
Internal audit							-		
Community and public safety	8,834	522	522	-	-	248	(248)	-100%	522
Community and social services		522	522	-	-	248	(248)	-100%	522
Sport and recreation	8,834	-					-		-
Public safety							-		
Housing							-		
Health							-		
Economic and environmental services	84,672	59,779	57,039	4,126	38,221	40,288	(2,066)	-5%	59,779
Planning and development		-					-		-
Road transport	84,672	59,779	57,039	4,126	38,221	40,288	(2,066)	-5%	59,779
Environmental protection		-					-		-
Trading services	12,946	13,868	11,609	1,123	13,288	8,790	4,498	51%	13,868
Energy sources	12,946	10,868	10,009	(154)	12,010	8,262	3,748	45%	10,868
Water management		-					-		-
Waste water management		-					-		-
Waste management		3,000	1,600	1,277	1,277	528	749	142%	3,000
Other		-					-		-
Total Capital Expenditure - Functional Classification	107,563	75,869	71,370	5,677	52,734	50,466	2,268	4%	75,869
Funded by:									
National Government	83,864	55,504	55,953	3,971	48,491	43,221	5,270	12%	55,504
Provincial Government							-		
District Municipality							-		
Other transfers and grants							-		
Transfers recognised - capital	83,864	55,504	55,953	3,971	48,491	43,221	5,270	12%	55,504
Public contributions & donations							-		
Borrowing							-		
Internally generated funds	23,699	20,365	15,417	1,706	4,243	7,245	(3,002)	-41%	20,365
Total Capital Funding	107,563	75,869	71,370	5,677	52,734	50,466	2,268	4%	75,869

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,110	1,400	1,400	28	609	826	(216)	-26%	1,400
Vote 5 - Community Services	434	3,000	1,600	1,277	1,277	528	749	142%	3,000
Vote 6 - Technical Services	77,883	27,513	23,974	2,196	20,688	16,190	4,498	28%	27,513
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	79,427	31,913	26,974	3,501	22,575	17,544	5,031	29%	31,913
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	500	-	-	-	-	-	-	500
Vote 4 - Corporate Services	-	300	800	401	616	315	301	96%	300
Vote 5 - Community Services	1,005	522	522	-	-	248	(248)	-100%	522
Vote 6 - Technical Services	27,131	42,634	43,074	1,775	29,543	32,359	(2,816)	-9%	42,634
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	28,136	43,956	44,395	2,176	30,159	32,922	(2,763)	-8%	43,956
Total Capital Expenditure	107,563	75,869	71,370	5,677	52,734	50,466	2,268	4%	75,869

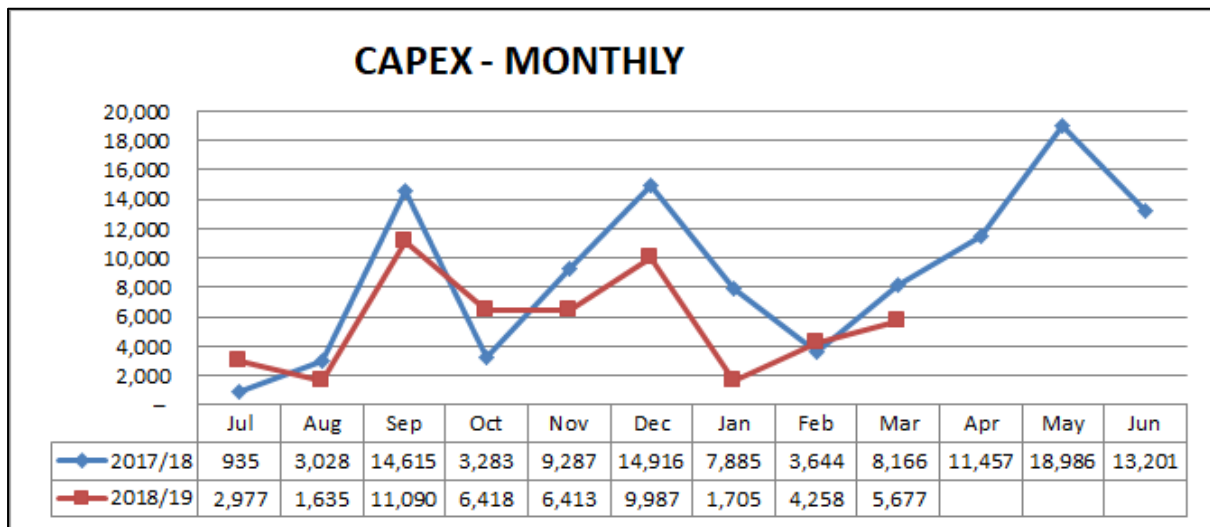
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of March 2019, R5, 677 million spending was incurred and that increased the year to date expenditure to R52, 734 million whilst the year to date budget is R50, 466 million and this gave rise to over spending variance of R2, 268 million that translates to 4%.

Figure1: Capital expenditure by source of finance



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R71, 370 million, R47, 250 million is funded from Municipal Infrastructure grant, R8, 703 million from INEP and R15, 417 million from own revenue and the spending per source of finance is presented in the above graph.

Figure 2: Monthly capital expenditure



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

Table C6: Monthly Budget Statement Financial Position

Description	2017/18	Budget Year 2018/19			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	6,194	2,457	8,691	48,701	2,457
Call investment deposits	–	15,582	15,582	41,874	15,582
Consumer debtors	24,953	40,483	40,483	41,893	40,483
Other debtors	30,866	58,923	58,924	87,835	58,923
Current portion of long-term receivables	–	–	–	–	–
Inventory	3,328	3,400	3,400	4,311	3,400
Total current assets	65,342	120,845	127,079	224,613	120,845
Non current assets					
Long-term receivables				–	–
Investments				–	–
Investment property	53,739	53,728	53,728	54,139	53,728
Investments in Associate		–	–	–	–
Property, plant and equipment	952,317	1,016,632	1,016,632	995,531	1,016,632
Agricultural		–	–	–	–
Biological		–	–	–	–
Intangible	85	291	291	–	291
Other non-current assets	12,706	12,841	12,841	1,237	12,841
Total non current assets	1,018,848	1,083,492	1,083,492	1,050,907	1,083,492
TOTAL ASSETS	1,084,189	1,204,337	1,210,572	1,275,520	1,204,337
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing	–	10,000	6,811	5,722	10,000
Consumer deposits	5,249	5,260	5,260	5,352	5,260
Trade and other payables	81,839	52,466	52,466	127,065	52,466
Provisions	4,251	5,412	2,412	(3,715)	5,412
Total current liabilities	91,339	73,138	66,949	134,425	73,138
Non current liabilities					
Borrowing	–	30,677	23,240	23,097	30,677
Provisions	93,955	85,952	85,952	98,000	85,952
Total non current liabilities	93,955	116,629	109,192	121,097	116,629
TOTAL LIABILITIES	185,294	189,767	176,141	255,522	189,767
NET ASSETS	898,896	1,014,570	1,034,431	1,019,998	1,014,570
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	898,896	1,014,570	1,034,431	1,019,998	1,014,570
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	898,896	1,014,570	1,034,431	1,019,998	1,014,570

The above table shows that community wealth amounts to R1, 019 billion, total liabilities R255, 522 million and the total assets R1, 275 billion. Non-current liabilities are mainly made up of borrowing and provisions for long service award, landfill site. Taking the current liabilities and current assets together, the municipality has current ratio of 1,67:1 that is slightly above the norm of 1. The municipality still needs to reduce the current liabilities and increase the current assets so as to strengthen the liquidity ratio.

Table C7: Monthly Budget Statement Cash Flow

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	20,409	28,587	20,797	1,957	16,479	19,574	(3,095)	-16%	28,587
Service charges	68,403	89,922	80,709	7,826	64,210	59,990	4,219	7%	89,922
Other revenue	14,831	18,225	18,724	2,722	28,771	20,118	8,653	43%	18,225
Government - operating	226,165	245,278	245,278	59,376	184,062	143,079	40,983	29%	245,278
Government - capital	97,899	63,830	63,830	37,683	93,601	54,778	38,823	71%	63,830
Interest	12,621	4,632	4,170	138	3,039	3,627	(588)	-16%	4,632
Dividends		-		-	-		-		-
Payments									
Suppliers and employees	(343,186)	(359,801)	(336,508)	(26,109)	(251,418)	(234,146)	17,273	-7%	(359,801)
Finance charges	(281)	(2,500)	(2,900)	(297)	(915)	(2,457)	(1,542)	63%	(2,500)
Transfers and Grants	(841)	(4,404)	(3,580)	(557)	(1,836)	(2,865)	(1,029)	36%	(4,404)
NET CASH FROM/(USED) OPERATING ACTIVITIES	96,019	83,769	90,520	82,738	135,992	61,698	(74,294)	-120%	83,769
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	2,400	2,000	2,000	3,022	3,022		3,022	#DIV/0!	2,000
Decrease (Increase) in non-current debtors		2,000	-	-	-		-		2,000
Decrease (increase) other non-current receivables	-	-	-	-	150	233	(83)	-36%	-
Decrease (increase) in non-current investments		-	-	-	-		-		-
Payments									
Capital assets	(106,372)	(75,869)	(67,801)	(4,277)	(46,459)	(49,840)	(3,381)	7%	(75,869)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(103,972)	(71,869)	(65,801)	(1,255)	(43,287)	(49,607)	(6,320)	13%	(71,869)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		-	-	-	-	9,764	(9,764)	-100%	-
Borrowing long term/refinancing		-	-	-	-		-		-
Increase (decrease) in consumer deposits	-	171	171	601	102	57	45	80%	171
Payments									
Repayment of borrowing	(6,900)	(10,000)	(6,811)	(712)	(8,427)	(9,764)	(1,337)	14%	(10,000)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(6,900)	(9,829)	(6,640)	(112)	(8,325)	57	8,382	14704%	(9,829)
NET INCREASE/ (DECREASE) IN CASH HELD	(14,854)	2,071	18,079	81,371	84,381	12,148			2,071
Cash/cash equivalents at beginning:	21,048	15,968	6,194		6,194	6,194			6,194
Cash/cash equivalents at month/year end:	6,194	18,039	24,273		90,575	18,342			8,265

Table C7 presents details pertaining to cash flow performance. As at end of March 2019, the net cash inflow from operating activities is R135, 992 million whilst net cash outflow from investing activities is R43, 287 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R8, 325 million. The cash and cash equivalent held at end of March 2019 amounted to R90, 575 million and the net effect of the above cash flows is cash inflow movement of R84, 381 million. The cash and cash equivalent at end of the reporting period of R90, 575 million is made up of cash in the primary bank account amounting to R48, 701 million and short term investments amounting to R41, 874 million.

PART 2: SUPPORTING TABLES

Supporting Table: SC 1 Material Variance Explanations

Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2018/19										Bad Debts Written Off	Impairment - Bad Debts	
	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	Total over 90 days			
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	6,339	1,243	147	82	78	70	369	3,440	11,767	4,038	-	-	
Receivables from Non-exchange Transactions - Property Rates	2,569	994	1,042	1,017	1,007	857	4,849	20,839	33,173	28,569	-	-	
Receivables from Exchange Transactions - Waste Water Management									-	-	-	-	
Receivables from Exchange Transactions - Waste Management	674	432	375	362	358	354	2,012	4,973	9,541	8,059	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	25	(9)	62	4	3	2	105	935	1,127	1,049	-	-	
Interest on Arrear Debtor Accounts	832	801	766	737	711	685	3,621	14,278	22,432	20,032	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-	-	-	
Other	626	381	(76)	(60)	(200)	(149)	3	(1,417)	(892)	(1,823)	-	-	
Total By Income Source	11,065	3,842	2,315	2,142	1,957	1,820	10,958	43,048	77,147	59,925	-	-	
2017/18 - totals only	10,210	4,510	2,412	1,983	1,828	1,793	10,328	29,617	62,681	45,549	-	-	
Debtors Age Analysis By Customer Group													
Organs of State	1,465	586	537	519	509	440	2,465	10,539	17,060	14,472	-	-	
Commercial	5,530	851	290	259	188	200	1,555	6,312	15,187	8,515	-	-	
Households	3,353	1,940	1,000	954	855	783	4,661	15,332	28,879	22,585	-	-	
Other	716	464	488	409	405	397	2,277	10,864	16,020	14,352	-	-	
Total By Customer Group	11,065	3,842	2,315	2,142	1,957	1,820	10,958	43,048	77,147	59,925	-	-	

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of March amount to R77, 147 million. The debtors' book is made up as follows:

- Rates 43%
- Electricity 15%
- Rental 1%
- Refuse removal 12%
- Interest on Debtors 29%
- Other -1%

The negative 1 on other debtors is caused mainly by accounts that have credit balances and the system cannot split nor transfer the credits to "received in advance" accounts without manual intervention.

The debtors' age analysis is graphically presented below.

Figure 3: Debtors age analysis

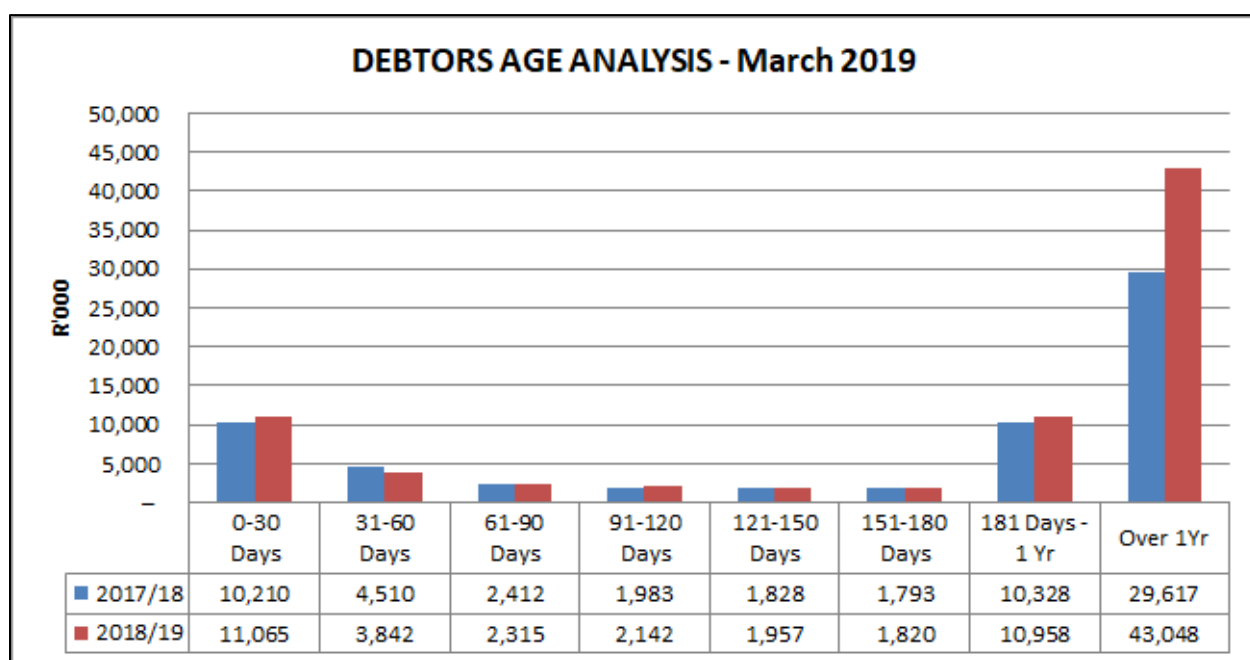
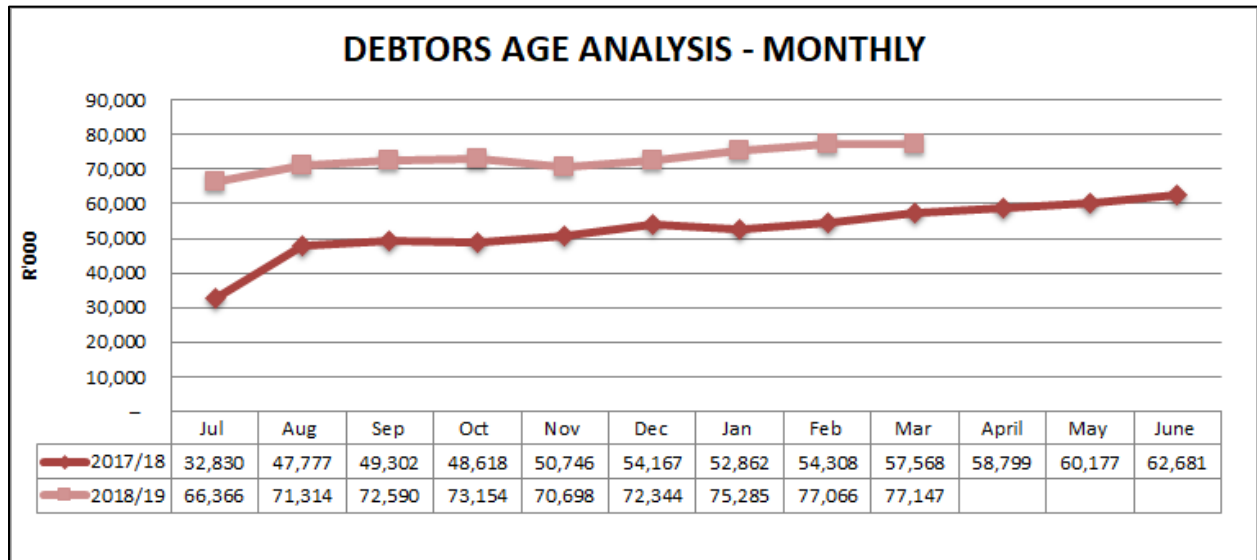


Figure 4: Monthly debtors book



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

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

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

TOP TWENTY DEBTORS

ACCOUNT	ACCOUNT HOLDER NAME	STATUS	TYPE	TOTAL BALANCE
9005301	TWIN CITY TRADING (PTY) LTD	ACTIVE	OWNER	1,435,335.67
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	1,067,809.99
214913	MEAT SPOT	ACTIVE	OCCUPIER	570,113.09
9000000	REPUBLIEK VAN SUID-AFRIKA	ACTIVE	OWNER	468,919.55
9001077	ROYAL SQUARE INV 361 CC	ACTIVE	OWNER	390,270.50
9000276	DEPARTMENT OF PUBLIC WORKS-PROVINCIAL	ACTIVE	OWNER	368,949.79
9053280	LIMPOPO GOVERNMENT PROV(BEN VILJOEN)	ACTIVE	OWNER	335,612.73
9000804	NATIONAL GOVERNMENT REPUBLIC OF SOUTH AFRICA	ACTIVE	OWNER	332,824.47
1501364	JAN JOUBERT TR (JO JO TANKS)	ACTIVE	OWNER	312,549.14
5001708	UNITRADE 518 (PTY) LTD	ACTIVE	OWNER	226,697.67
9002065	GOVERNMENT OF KWANDEBELE	ACTIVE	OWNER	226,018.32
9002958	PROVINCIAL GOVERNMENT OF LIMPO	ACTIVE	OWNER	222,828.64
9002067	NATIONAL GOVERNMENT OF THE REP	ACTIVE	OWNER	211,017.20
2200702	NAMIB FAMILY TRUST	ACTIVE	OWNER	191,661.91
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	OWNER	173,662.38
5002109	VAN AARD FJ(MAPOCHH	ACTIVE	OCCUPIER	173,173.74
136	LIZINEX (PTY) LTD	ACTIVE	OWNER	170,816.87
211693	BOXER SUPERSTORE'ATT KERSHNEE	ACTIVE	OCCUPIER	170,605.03
9002387	NATIONAL GOVERNMENT OF THE REP	ACTIVE	OWNER	165,536.08
9000400	UITZOECHT LANDGOED CC	ACTIVE	OWNER	162,696.63
TOTAL				7,377,099.40

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2018/19									Prior year totals for chart
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type										
Bulk Electricity	-	-	-	-	-	-	-	-	-	-
Bulk Water	-	-	-	-	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	-	-	-	-	-	-	-	-	-	-
Auditor General	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	-	-	-	-	-	-	-	-	-	-

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

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

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

TOP CREDITORS PAID

CODE	CREDITOR NAME	AMOUNT
1004	LERMAT CONSTRUCTION & PROJECTS	367,068.50
80558	MMUSI BUSINESS SOLUTION	185,000.00
14	AMPER ALLES GENERAL DEALERS	117,299.77
41095	REAKGONA TRAVEL SERVICES	74,362.50
504	SEKHOPA PROJECTS	63,995.00
41017	RONELI DEVELOPERS PTY LTD	61,750.00
80653	BABIRWA TRAVEL	58,586.76
80574	KJ MALOA HOLDINGS	29,325.00
530	RENA BATSWAKO TRANSPORT AND CO	29,070.00
906	MONYAMAKU GENERAL TRADING CC	28,900.00
37659	BOWELAKALANA SECURITY & GENERA	28,900.00
80904	RANMO HOLDINGS	28,650.00
35398	BOMASHA TRANSPORT AND PROJECTS	28,000.00
80366	ASHCOR TRAVELS (PTY) LTD	28,000.00
80899	ZENOREE DEVELOPMENTS	26,000.00
80666	MOEMY TRADING AND PROJECTS	22,695.00
32028	MCETETE CATERING AND CONSTRUC	22,000.00
41027	KDM TRAVEL EXPRESS	17,853.83
80449	TAMARAYI TRANSPORT	12,950.00
80566	THANDENI HOLDINGS	10,000.00
TOTAL		1,240,406.36

The above table presents the top creditors paid during the month of March 2019 and an amount of R1, 240 million will paid to these creditors during the reporting period.

Supporting Table: SC 5 - Investment Portfolio

Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date	Accrued interest	Yield for the month 1 (%)	Market value at beginning	Change in market value	Market value at end
Nedbank (03/7881068264/0044)	1 Month	Current Investr	20-May-19	51	7.83%	20,000	-	20,051
Nedbank (03/7881068264/0043)	2 Month	Current Investr	19-Jun-19	52	7.85%	21,771	-	21,823
TOTAL INVESTMENTS AND INTEREST				103		41,771	-	41,874

Supporting table SC5 presents all investment movements, and it indicates that municipality did not have short term investment at end of February 2019. The municipality had invested total amount of R41, 771 million during the month of March and this has yielded interests amounting to R103 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	226,163	245,278	245,278	59,376	245,278	245,278	-		245,278
Local Government Equitable Share	223,019	237,506	237,506	59,376	237,506	237,506	-		237,506
Finance Management	1,700	1,770	1,770	-	1,770	1,770			1,770
EPWP Incentive	1,444	1,002	1,002	-	1,002	1,002			1,002
Energy Efficiency and Demand Management	-	5,000	5,000	-	5,000	5,000			5,000
Provincial Government:	-	-	-	-	-	-	-		-
N/A									
District Municipality:	-	-	-	-	-	-	-		-
N/A									
Other grant providers:	-	-	-	-	-	-	-		-
N/A									
Total Operating Transfers and Grants	226,163	245,278	245,278	59,376	245,278	245,278	-		245,278
Capital Transfers and Grants									
National Government:	81,860	63,830	63,830	15,912	71,830	71,830	-		71,830
Municipal Infrastructure Grant (MIG)	66,860	53,832	53,832	15,912	61,832	53,832	8,000	15%	61,832
Intergrated National Electrification Grant	15,000	9,998	9,998	-	9,998	9,998	-		9,998
Provincial Government:	-	-	-	21,771	21,771	-	21,771	0%	-
CoGHSTA - Development of Masakaneng	-	-	-	21,771	21,771	-	21,771	0%	-
District Municipality:	-	-	-	-	-	-	-		-
N/A									
Other grant providers:	-	-	-	-	-	-	-		-
N/A									
Total Capital Transfers and Grants	81,860	63,830	63,830	37,683	93,601	63,830	29,771	47%	71,830
TOTAL RECEIPTS OF TRANSFERS & GRANTS	308,023	309,108	309,108	97,059	338,879	309,108	29,771	10%	317,108

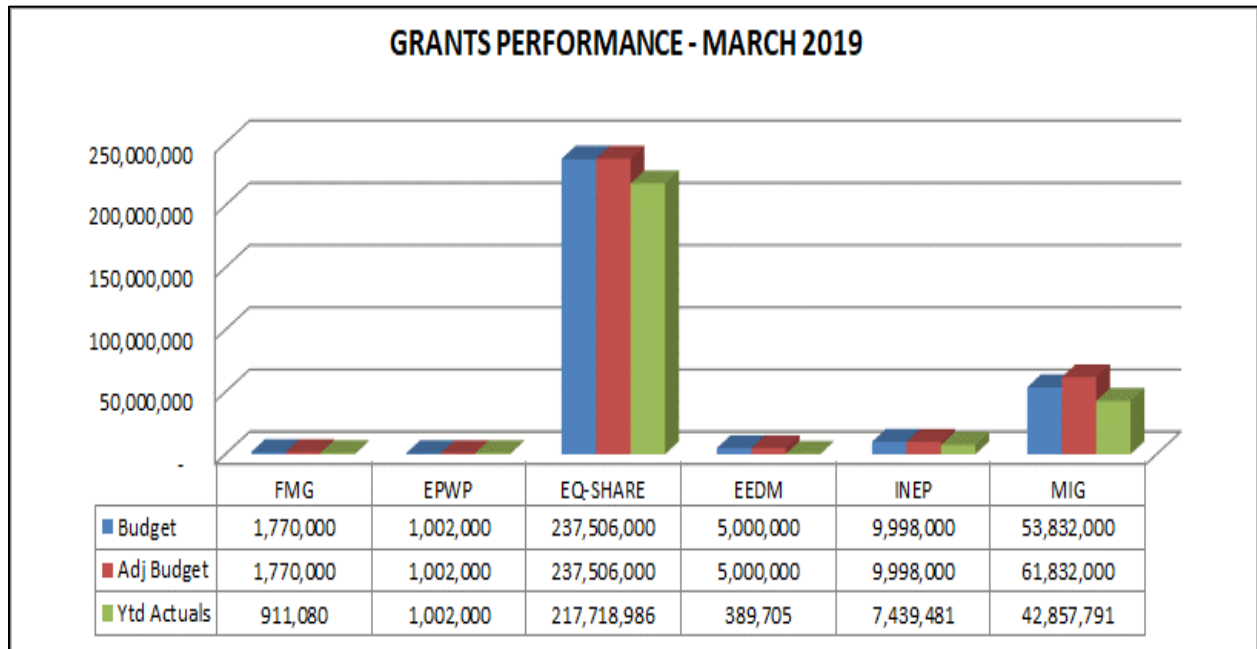
Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R338, 879 million of which the major portion is attributed to equitable share. For the reporting period at least R97, 059 million was received for MIG, Equitable share and CoGHSTA grant. All the grants allocated for the current financial year, so far have been received in line with National Treasury payment schedule.

Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	226,163	245,278	245,278	20,207	239,814	245,508	(5,695)	-2%	245,278
Local Government Equitable Share	223,019	237,506	237,506	19,792	178,129	237,736	(225)	0%	237,506
Finance Management	1,700	1,770	1,770	25	911	1,770	(859)	-49%	1,770
EPWP Incentive	1,444	1,002	1,002	-	1,002	1,002	(0)	0%	1,002
Energy Efficiency and Demand Management	-	5,000	5,000	390	389,705	5,000	(4,610)	-92%	5,000
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A									
District Municipality:	-	-	-	-	-	-	-	-	-
N/A									
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A									
Total operating expenditure of Transfers and Grants:	226,163	245,278	245,278	20,207	239,814	245,508	(5,695)	-2%	245,278
Capital expenditure of Transfers and Grants									
National Government:	97,901	63,830	63,830	5,329	50,297	47,565	2,732	6%	63,830
Municipal Infrastructure Grant (MIG)	82,722	53,832	53,832	5,329	42,858	37,219	5,639	15%	53,832
Intergrated National Electrification Grant	15,179	9,998	9,998	-	7,439	10,346	(2,907)	-28%	9,998
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A									
District Municipality:	-	-	-	-	-	-	-	-	-
N/A									
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A									
Total capital expenditure of Transfers and Grants	97,901	63,830	63,830	5,329	50,297	47,565	2,732	6%	63,830
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	324,064	309,108	309,108	25,536	290,111	293,073	(2,962)	-1%	309,108

An amount of R25, 536 million has been spent on grants during the month of March 2019 and the year to date actuals is 290, 111 million whilst the year to date budget amounts to R293, 073 million and this results in underspending variance of R2, 962 million that translates to negative 1%. Of the total spending amounting to R25, 536 million, R20, 207 million is spent on operational grants whilst R5, 329 million is spent of capital grants.

Figure 5: Grants performance



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

- Financial Management Grant 51%
- Expanded Public Work Programme 100%
- Equitable Share 75%
- Municipal Infrastructure Grant 80%
- Integrated National Electrification Grant 74%
- Energy Efficiency and Demand Side Management Grant 8%

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

Description	Budget Year 2018/19				
	Approved Rollover 2017/18	Monthly actual	YearTD actual	YTD variance	YTD variance
EXPENDITURE					
Operating expenditure of Approved Roll-overs					
National Government:	-	-	-	-	-
Local Government Equitable Share	-	-	-	-	-
Finance Management	-	-	-	-	-
EPWP Incentive	-	-	-	-	-
Energy Efficiency and Demand Management	-	-	-	-	-
Provincial Government:	-	-	-	-	-
N/A	-	-	-	-	-
District Municipality:	-	-	-	-	-
N/A	-	-	-	-	-
Other grant providers:	-	-	-	-	-
N/A	-	-	-	-	-
Total operating expenditure of Approved Roll-overs	-	-	-	-	-
Capital expenditure of Approved Roll-overs					
National Government:	449	-	-	449	100%
Municipal Infrastructure Grant (MIG)	438			438	100%
Intergrated National Electrification Grant	11			11	100%
Provincial Government:	-	-	-	-	-
N/A	-	-	-	-	-
District Municipality:	-	-	-	-	-
N/A	-	-	-	-	-
Other grant providers:	-	-	-	-	-
N/A	-	-	-	-	-
Total capital expenditure of Approved Roll-overs	449	-	-	449	100%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	449	-	-	449	100%

Table SC7 (2) provides details for expenditure on approved roll-overs, for March 2019 there is no spending on approved roll-overs.

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councillor remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	12,690	15,073	14,450	1,117	10,050	10,465	(415)	-4%	15,073
Pension and UIF Contributions	1,778	1,857	1,657	133	1,206	1,216	(10)	-1%	1,857
Medical Aid Contributions	295	317	351	33	268	259	9	3%	317
Motor Vehicle Allowance	4,947	5,324	5,334	429	3,859	3,904	(45)	-1%	5,324
Cellphone Allowance	2,708	2,489	2,499	226	2,031	1,927	105	5%	2,489
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	454	10	-	-	13	-	13	#DIV/0!	10
Sub Total - Councillors	22,874	25,070	24,291	1,938	17,427	17,770	(343)	-2%	25,070
% increase		10%	6%						10%
Senior Managers of the Municipality									
Basic Salaries and Wages	5,073	4,718	4,532	336	3,339	3,427	(87)	-3%	4,718
Pension and UIF Contributions	234	1,095	245	13	159	183	(24)	-13%	1,095
Medical Aid Contributions	92	252	102	7	67	75	(7)	-10%	252
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	672	907	760	54	565	581	(16)	-3%	907
Cellphone Allowance	41	84	141	14	116	107	9	8%	84
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	221	81	528	17	483	480	3	1%	81
Payments in lieu of leave	103	-	-	-	40	-	40	#DIV/0!	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	6,436	7,137	6,308	440	4,770	4,853	(83)	-2%	7,137
% increase		11%	-2%						11%
Other Municipal Staff									
Basic Salaries and Wages	73,490	85,022	79,451	6,808	61,592	60,260	1,332	2%	85,022
Pension and UIF Contributions	14,304	16,149	16,141	1,410	12,582	12,252	330	3%	16,149
Medical Aid Contributions	7,931	4,826	4,726	462	3,940	3,646	293	8%	4,826
Overtime	2,357	1,774	2,108	132	1,685	1,491	194	13%	1,774
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	7,782	8,965	10,043	882	7,776	7,588	188	2%	8,965
Cellphone Allowance	507	986	1,147	144	1,087	910	177	19%	986
Housing Allowances	143	161	160	14	130	124	7	6%	161
Other benefits and allowances	11,264	8,057	8,638	129	7,514	7,869	(356)	-5%	8,057
Payments in lieu of leave	677	892	1,173	179	720	842	(122)	-14%	892
Long service awards	559	180	578	294	829	491	338	69%	180
Post-retirement benefit obligations	1,752	-	-	-	3,477	1,739	1,739	100%	-
Sub Total - Other Municipal Staff	120,766	127,011	124,165	10,455	101,332	97,212	4,120	4%	127,011
% increase		5%	3%						5%
Total Parent Municipality	150,075	159,219	154,764	12,832	123,530	119,835	3,694	3%	159,219
% increase		6%	3%						6%
TOTAL SALARY, ALLOWANCES & BENEFITS	150,075	159,219	154,764	12,832	123,530	119,835	3,694	3%	159,219
% increase		6%	3%						6%
TOTAL MANAGERS AND STAFF	127,202	134,149	130,473	10,894	106,102	102,065	4,037	4%	134,149

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of March 2019 amounts to R106, 102 million and the year to date budget is R102, 065 million and the expenditure for remuneration of councilors amounts to R17, 427 million while the year to date budget is R17, 770 million. The year to date actual expenditure for senior managers is R4, 770 million and the year to date budget thereof is R4, 853 million. There is one senior management vacant position (Budget and Treasury) and this

is causing underspending variance on budget performance for senior management. The year to date actuals for other municipal staff is R101, 332 million and the year to date budget is R97, 201 million. The remuneration of councilors category has under spending variance, and senior managers' expenditure is in line with the projected budget and there is only one vacant position in the senior management level and the position will be filled by year end. The other municipal staff category has over spending variance that is attributed to post retirement benefit, pension and UIF, and other benefits and allowance.

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

Description	Budget Year 2018/19												2018/19 Medium Term Revenue &		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Budget	May Budget	June Budget	Year 2018/19	Year +1 2019/20	Year +2 2020/21
Cash Receipts By Source															
Property rates	1,905	1,271	1,939	1,806	2,068	1,592	1,847	2,092	1,957	2,392	2,392	7,323	28,587	30,131	31,788
Service charges - electricity revenue	6,380	5,702	6,815	6,695	8,360	6,242	6,238	7,151	7,501	6,943	7,537	4,804	80,368	85,993	92,228
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse	362	245	496	335	378	323	328	335	325	741	741	4,946	9,554	10,070	10,624
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	25	15	27	161	16	53	17	29	44	51	51	121	610	643	678
Interest earned - external investments	123	254	204	68	23	135	208	82	56	244	308	1,297	3,000	3,162	3,336
Interest earned - outstanding debtors	81	31	55	74	683	131	103	651	81	132	148	(536)	1,632	1,720	1,815
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1	0	548	0	28	2,325	-	459	847	910	884	4,243	10,248	10,801	11,395
Licences and permits	445	458	398	497	460	309	349	279	211	413	413	720	4,950	5,217	5,504
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operating	19,953	21,814	2,000	-	450	79,169	1,000	300	59,376	-	-	61,216	245,278	269,940	293,775
Other revenue	764	1,114	1,124	1,611	13,040	89	1,021	386	1,620	200	195	(18,745)	2,417	2,548	2,688
Cash Receipts by Source	30,040	30,904	13,605	11,248	25,504	90,367	11,110	11,764	72,018	12,025	12,668	65,389	386,644	420,226	453,831
Other Cash Flows by Source															
Transfer receipts - capital	27,110	-	-	4,000	-	24,808	-	-	37,683	-	-	(29,771)	63,830	67,721	70,734
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	3,022	-	-	(1,022)	2,000	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits	97	501	(548)	29	-	(39)	41	(579)	601	25	40	4	171	203	227
Receipt of non-current debtors	-	-	150	-	-	-	-	-	-	112	200	1,538	2,000	2,500	2,700
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	57,247	31,404	13,207	15,277	25,504	115,136	11,152	11,186	113,324	12,162	12,908	36,138	454,645	490,650	527,492
Cash Payments by Type															
Employee related costs	10,151	11,367	10,048	10,552	10,401	20,768	11,087	10,164	10,894	10,294	13,096	5,327	134,149	142,723	152,000
Remuneration of councillors	2,635	1,875	1,875	1,875	1,875	1,876	1,875	2,366	1,938	2,088	2,212	2,583	25,070	26,675	28,409
Interest paid	-	-	-	239	260	(499)	313	305	297	208	208	1,169	2,500	2,300	2,000
Bulk purchases - Electricity	729	7,331	7,286	103	1,069	16,313	7,383	5,146	4,970	7,250	7,300	15,121	80,000	84,320	88,958
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	254	778	940	635	637	1,238	835	452	897	1,252	1,427	7,748	17,093	18,017	19,007
Contracted services	5,676	4,532	3,492	4,767	6,157	9,573	3,856	2,652	6,180	5,207	3,755	4,175	60,020	62,629	66,073
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	-	107	109	-	-	1,063	-	-	557	366	366	1,835	4,404	4,642	4,897
General expenses	849	1,062	469	2,628	3,288	3,987	2,799	742	1,231	3,135	3,910	19,367	43,468	45,289	47,780
Cash Payments by Type	20,294	27,052	24,218	20,799	23,687	54,319	28,147	21,827	26,963	29,800	32,274	57,325	366,705	386,594	409,124
Other Cash Flows/Payments by Type															
Capital assets	2,381	1,635	9,235	8,567	6,413	9,987	1,705	2,258	4,277	2,938	2,052	24,419	75,869	85,123	84,647
Repayment of borrowing	-	-	-	2,710	549	3,026	711	719	712	833	833	(94)	10,000	14,000	16,677
Other Cash Flows/Payments	-	-	-	-	-	6,863	-	-	-	-	-	(6,863)	-	-	-
Total Cash Payments by Type	22,675	28,686	33,453	32,076	30,649	74,196	30,563	24,804	31,953	33,571	35,159	74,787	452,574	485,717	510,448
NET INCREASE/(DECREASE) IN CASH HELD	34,571	2,718	(20,246)	(16,799)	(5,145)	40,939	(19,411)	(13,618)	81,371	(21,409)	(22,251)	(38,650)	2,071	4,933	17,044
Cash/cash equivalents at the month/year beginning:	6,194	40,765	43,483	23,238	6,438	1,294	42,233	22,822	9,204	90,575	69,166	46,915	6,194	8,265	13,198
Cash/cash equivalents at the month/year end:	40,765	43,483	23,238	6,438	1,294	42,233	22,822	9,204	90,575	69,166	46,915	8,265	8,265	13,198	30,242

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly cash receipts reflect an amount of R113, 324 million and the total cash payment for the month were R31, 593 million and this resulted in net increase in cash held amounting to R81, 371 million. With cash and cash equivalent of R9, 204 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R90, 575 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
Monthly expenditure performance trend									
July	6,624	6,722	4,292	2,977	2,977	4,292	1,315	31%	4%
August	8,720	9,189	1,635	1,635	4,612	5,927	1,315	22%	6%
September	7,500	11,637	9,816	11,090	15,702	15,743	41	0%	21%
October	9,227	9,283	5,461	6,418	22,119	21,204	(916)	-4%	29%
November	11,572	8,482	6,413	6,413	28,532	27,617	(916)	-3%	38%
December	10,917	8,697	7,217	9,987	38,519	34,834	(3,686)	-11%	51%
January	7,350	3,979	2,762	1,705	40,225	37,595	(2,630)	-7%	53%
February	10,580	6,249	5,583	4,258	44,483	43,178	(1,305)	-3%	59%
March	6,580	5,136	2,500	5,677	50,160	45,678	(4,482)	-10%	66%
April	7,221	2,938	5,844			51,522	-		
May	14,033	2,052	8,105			59,627	-		
June	7,239	1,505	11,742			71,370	-		
Total Capital expenditure	107,563	75,869	71,370	50,160					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of March amounts to R5, 677 million. The year to date actual expenditure incurred is R50, 160 million whilst the year to date budget is R45, 678 million that gives rise to over spending variance of R4, 482 million or 10%.

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	52,811	32,150	28,613	(18)	24,764	22,121	(2,643)	-12%	32,150
Roads Infrastructure	39,865	21,283	18,604	137	12,754	13,860	1,105	8%	21,283
Roads	39,865	21,283	18,604	137	12,754	13,860	1,105	8%	21,283
Road Furniture							-		
Capital Spares							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Drainage Collection							-		
Electrical Infrastructure	12,946	10,868	10,009	(154)	12,010	8,262	(3,748)	-45%	10,868
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors	12,946	10,868	10,009	(154)	12,010	8,262	(3,748)	-45%	10,868
MV Networks							-		
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
Waste Processing Facilities							-		
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria	-	-	-	-	-	-	-		-
Police							-		
Other assets	-	4,447	4,947	-	1,741	3,127	1,387	44%	4,447
Operational Buildings	-	4,447	4,947	-	1,741	3,127	1,387	44%	4,447
Municipal Offices	-	4,447	4,947	-	1,741	3,127	1,387	44%	4,447
Pay/Enquiry Points							-		
Building Plan Offices							-		
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Water Rights							-		
Computer Equipment	749	500	1,000	-	553	674	122	18%	500
Computer Equipment	749	500	1,000	-	553	674	122	18%	500
Furniture and Office Equipment	362	400	400	28	56	151	95	63%	400
Furniture and Office Equipment	362	400	400	28	56	151	95	63%	400
Machinery and Equipment	3,138	1,300	300	401	616	124	(492)	-396%	1,300
Machinery and Equipment	3,138	1,300	300	401	616	124	(492)	-396%	1,300
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets	-	-	-	-	-	-	-		-
Total Capital Expenditure on new assets	57,060	38,798	35,260	411	27,730	26,198	(1,532)	-6%	38,798

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets									
Infrastructure	42,135	33,550	33,988	3,989	23,726	23,491	(235)	-1%	33,550
Roads Infrastructure	42,135	33,550	33,988	3,989	23,726	23,491	(235)	-1%	33,550
Roads	42,135	33,550	33,988	3,989	23,726	23,491	(235)	-1%	33,550
Road Structures							-		
Road Furniture	-	-	-	-	-	-	-		-
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	-	-	-	-	-	-	-		-
Power Plants							-		
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
Community Assets	-	522	522	-	-	248	248	100%	522
Community Facilities	-	522	522	-	-	248	248	100%	522
Testing Stations							-		
Libraries							-		
Cemeteries/Crematoria	-	522	522	-	-	248	248	100%	522
Police							-		
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	434	-	-	-	-	-	-		-
Operational Buildings	434	-	-	-	-	-	-		-
Municipal Offices	434	-	-	-	-	-	-		-
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on renewal of existing assets	42,569	34,071	34,509	3,989	23,726	23,739	13	0.1%	34,071

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure									
Infrastructure	5,694	10,400	6,704	593	3,763	4,540	777	17%	10,400
Roads Infrastructure	1,266	4,000	2,000	185	1,281	1,398	117	8%	4,000
Roads	1,266	4,000	2,000	185	1,281	1,398	117	8%	4,000
Road Structures							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	1,891	3,000	1,000	99	830	826	(4)	-1%	3,000
HV Substations							-		
HV Switching Station							-		
MV Networks	1,891	3,000	1,000	99	830	826	(4)	-1%	3,000
Capital Spares	-	-	-	-	-	-	-		-
Solid Waste Infrastructure	2,538	3,400	3,704	309	1,651	2,316	664	29%	3,400
Landfill Sites	2,538	3,400	3,704	309	1,651	2,316	664	29%	3,400
Waste Transfer Stations							-		
Other assets	929	2,000	1,000	23	312	583	271	46%	2,000
Operational Buildings	929	2,000	1,000	23	312	583	271	46%	2,000
Municipal Offices	929	2,000	1,000	23	312	583	271	46%	2,000
Workshops							-		
Yards							-		
Stores							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Solid Waste Licenses							-		
Computer Software and Applications	-	-	-	-	-	-	-		-
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	4,905	3,550	1,670	(11)	1,556	1,099	(457)	-42%	3,550
Machinery and Equipment	4,905	3,550	1,670	(11)	1,556	1,099	(457)	-42%	3,550
Transport Assets	777	2,000	1,000	359	1,023	697	(326)	-47%	2,000
Transport Assets	777	2,000	1,000	359	1,023	697	(326)	-47%	2,000
Total Repairs and Maintenance Expenditure	12,305	17,950	10,374	965	6,655	6,919	264	4%	17,950

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure	43,138	34,653	34,653	-	16,139	16,375	236	1%	34,653
Roads Infrastructure	3,039	25,147	25,147	-	13,116	12,000	(1,116)	-9%	25,147
Roads	3,039	25,147	25,147	-	13,116	12,000	(1,116)	-9%	25,147
Road Structures			-			-	-		
Road Furniture			-			-	-		
Capital Spares			-			-	-		
Storm water Infrastructure	(767)	3,712	3,712	-	-	1,728	1,728	100%	3,712
Storm water Conveyance	(767)	3,712	3,712	-	-	1,728	1,728	100%	3,712
Attenuation			-			-	-		
Electrical Infrastructure	40,326	5,166	5,166	-	2,694	2,364	(331)	-14%	5,166
HV Substations			-			-	-		
HV Switching Station			-			-	-		
HV Transmission Conductors	40,326	5,166	5,166	-	2,694	2,364	(331)	-14%	5,166
MV Substations			-			-	-		
MV Switching Stations			-			-	-		
Solid Waste Infrastructure	540	629	629	-	328	283	(45)	-16%	629
Landfill Sites	540	629	629	-	328	283	(45)	-16%	629
Community Assets	1,161	2,918	2,918	-	1,522	1,433	(89)	-6%	2,918
Community Facilities	1,161	2,918	2,918	-	1,522	1,433	(89)	-6%	2,918
Libraries			-			-	-		
Cemeteries/Crematoria	1,161	2,918	2,918	-	1,522	1,433	(89)	-6%	2,918
Other assets	5,033	2,180	2,180	-	1,137	980	(157)	-16%	2,180
Operational Buildings	5,033	2,180	2,180	-	1,137	980	(157)	-16%	2,180
Municipal Offices	5,033	2,180	2,180	-	1,137	980	(157)	-16%	2,180
Intangible Assets	-	378	378	-	197	170	(27)	-16%	378
Servitudes			-			-	-		
Licences and Rights	-	378	378	-	197	170	(27)	-16%	378
Solid Waste Licenses			-			-	-		
Computer Software and Applications		378	378	-	197	170	(27)	-16%	378
Computer Equipment	526	1,518	1,518	-	-	824	824	100%	1,518
Computer Equipment	526	1,518	1,518	-	-	824	824	100%	1,518
Furniture and Office Equipment	685	3,817	3,817	-	1,991	1,804	(187)	-10%	3,817
Furniture and Office Equipment	685	3,817	3,817	-	1,991	1,804	(187)	-10%	3,817
Machinery and Equipment	1,188	2,175	2,175	-	3,070	978	(2,092)	-214%	2,175
Machinery and Equipment	1,188	2,175	2,175	-	3,070	978	(2,092)	-214%	2,175
Transport Assets	1,716	3,542	3,542	-	1,848	1,593	(255)	-16%	3,542
Transport Assets	1,716	3,542	3,542	-	1,848	1,593	(255)	-16%	3,542
Total Depreciation	53,449	51,181	51,181	-	25,904	24,157	(1,746)	-7%	51,181

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on upgrading of existing assets									
Infrastructure	-	3,000	1,600	1,277	1,277	528	(749)	-142%	3,000
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Roads							-		
Road Structures							-		
Capital Spares							-		
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Storm water Conveyance							-		
Attenuation							-		
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
HV Switching Station							-		
HV Transmission Conductors							-		
MV Substations							-		
MV Switching Stations							-		
MV Networks							-		
Solid Waste Infrastructure	-	3,000	1,600	1,277	1,277	528	(749)	-142%	3,000
Landfill Sites							-		
Waste Processing Facilities		3,000	1,600	1,277	1,277	528	(749)	-142%	3,000
Community Assets	7,829	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Testing Stations							-		
Libraries							-		
Cemeteries/Crematoria							-		
Other assets	105	-	-	-	-	-	-	-	-
Operational Buildings	105	-	-	-	-	-	-	-	-
Municipal Offices							-		
Workshops	105						-		
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes							-		
Licences and Rights+A4	-	-	-	-	-	-	-	-	-
Solid Waste Licenses							-		
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment							-		
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets							-		
Total Capital Expenditure on upgrading of existing assets	7,934	3,000	1,600	1,277	1,277	528	(749)	-142%	3,000

Supporting table SC13a, SC13b and SC13e provide details of capital expenditure in terms of asset classification based on new assets and renewal of existing assets; while table SC13c provide details of expenditure performance on repairs and maintenance by asset classification and Table SC13d presents expenditure on depreciation and asset impairment. These tables present the capital programme, and assets management and performance of the Municipality.

The total expenditure for new capital projects amounts to R27, 730 million and the year to date budget is R26, 198 million that reflects under spending variance of R1, 532 million that translates to 6% variance. The year to date actuals on renewal of existing assets amounts R23, 726 million

and with the year to date budget of R23, 739 million and this reflects under spending variance of R13 thousand that translates to 0,1% variance.

The year to date actual expenditure on repairs and maintenance is R6, 655 million and the year to date budget is R6, 919 million, reflecting under spending variance of R264 thousand that translates to 4%.

The year to date actual expenditure on upgrading of existing assets is R1, 277 million and the year to date budget is R528 thousand, reflecting over-spending variance of R1, 746 million that translates to 7%.

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

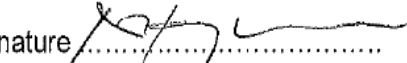
List of Capital Programmes and Projects

Vote	Project	New/Renewal	Asset Classification	Asset Category	Budget Year 2018/19			
					Original Budget	Adjusted Budget	YTD Actuals	Percentage
Budget and Treasury	Mobile Office	New	Other assets	Municipal Offices	500	–	–	–
Community Services	Fencing of Elandsdoorn Cemeteries	Renewal	Community	Cemeteries/Crematoria	522	522	–	0%
Community Services	Groblerdsdal Landfill site	Upgrading	Infrastructure	Waste Management	3,000	1,600	1,277	80%
Corporate Services	Air Conditioner	New	Machinery and Equipment	Machinery and Equipment	300	400	297	74%
Corporate Services	Furniture and Office Equipment	New	Furniture and Office Equipment	Furniture and Office Equipment	400	400	56	14%
Corporate Services	Machinery and Equipment	New	Machinery and Equipment	Machinery and Equipment	500	400	319	80%
Corporate Services	Computer Equipment	New	Computer Equipment	Computer Equipment	500	1,000	553	55%
Technical Services	Electrification of Makaepa	New	Infrastructure	Electrical Infrastructure	2,870	2,870	2,837	99%
Technical Services	Electrification of Masakaneng	New	Infrastructure	Electrical Infrastructure	2,912	2,921	6,436	220%
Technical Services	Electrification of Tambo Village - New Town	New	Infrastructure	Electrical Infrastructure	2,912	2,912	2,737	94%
Technical Services	Installation of electrical meters in Groblersdal	New	Infrastructure	Electrical Infrastructure	1,304	1,304	–	0%
Technical Services	Upgrading of Groblersdal substation	Upgrading	Infrastructure	Electrical Infrastructure	870	(0)	–	0%
Technical Services	Monsterlus to Makgopheng Road, Kgoshi Mathebe and Kgoshi Masepe Construction	New	Infrastructure	Roads Infrastructure	7,826	7,826	4,271	55%
Technical Services	Mogaung Road	New	Infrastructure	Roads Infrastructure	–	–	–	–
Technical Services	Mpheleng Road Construction	New	Infrastructure	Roads Infrastructure	8,478	8,478	8,483	100%
Technical Services	Motetema Internal Streets	New	Infrastructure	Roads Infrastructure	3,478	800	–	0%
Technical Services	Laersdrift Road	Renewal	Infrastructure	Roads Infrastructure	6,087	9,842	6,610	67%
Technical Services	Naganeng Bus Route	Renewal	Infrastructure	Roads Infrastructure	8,817	5,500	5,601	102%
Technical Services	Groblerdsdal Roads and Streets	Renewal	Infrastructure	Roads Infrastructure	1,739	1,739	–	0%
Technical Services	Kgapamadi road	Renewal	Infrastructure	Roads Infrastructure	15,602	15,602	11,515	74%
Technical Services	Nyakoroane Road	Renewal	Infrastructure	Roads Infrastructure	1,304	1,304	–	0%
Technical Services	Development of workshop	New	Other assets	Operational Buildings	4,447	4,447	1,741	39%
Technical Services	Ramogwerane to Nkadimeng Road and Stormwater	New	Infrastructure	Roads Infrastructure	1,500	1,500	–	0%

Quality certificate

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

Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature 

Date 12/04/2019

Elias Motsoaledi Local Municipality

12 APR 2019

Municipal Manager