

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

MAY 2018

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	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	96,559	116,294	127,627	9,210	106,434	115,369	(8,934)	-8%	127,627
Investment revenue	–	1,935	1,000	53	594	909	(315)	-35%	1,000
Transfers and subsidies	5,255	–	–	–	–	–	–	–	–
Other own revenue	281,172	273,794	316,117	2,494	243,673	303,543	(59,870)	-20%	316,117
Total Revenue (excluding capital transfers)	382,987	392,023	444,744	11,757	350,701	419,820	(69,119)	-16%	444,744
Employee costs	–	–	–	–	–	–	–	–	–
Remuneration of Councillors	117,781	123,460	126,105	10,515	120,981	116,736	4,245	4%	126,105
Depreciation & asset impairment	21,128	26,372	26,372	–	–	–	–	–	26,372
Finance charges	47,998	51,200	51,200	–	–	–	–	–	51,200
Materials and bulk purchases	67,156	72,289	72,289	9,502	62,252	65,371	(3,119)	-5%	72,289
Transfers and subsidies	43,080	25,350	65,237	7,120	61,029	60,359	670	1%	65,237
Other expenditure	(653,830)	(674,582)	(729,590)	(33,894)	(564,763)	(633,914)	69,151	-11%	(729,590)
Total Expenditure	(356,688)	(375,911)	(388,387)	(6,757)	(320,501)	(391,448)	70,948	-18%	(388,387)
Surplus/(Deficit)	739,676	767,934	833,130	18,515	671,202	811,268	(140,066)	-17%	833,130
Transfers and subsidies - capital (monetary allocations)	(104,990)	5,635	13,857	(20,664)	32,773	90,725	(57,952)	-64%	13,857
Contributions & Contributed assets	68,930	70,860	91,349	5,842	73,608	84,504	(10,896)	-13%	91,349
Surplus/(Deficit) after capital transfers	703,615	844,428	938,337	3,692	777,583	986,497	(208,914)	-21%	938,337
Share of surplus/ (deficit) of associate	(36,060)	76,495	105,207	(14,822)	106,381	175,228	(68,848)	-39%	105,207
Surplus/ (Deficit) for the year	667,555	920,923	1,043,544	(11,130)	883,964	1,161,725	(277,761)	-24%	1,043,544
Capital expenditure & funds sources									
Capital expenditure	29,643	23,763	25,576	6,621	25,572	22,315	3,257	15%	25,576
Capital transfers recognised	–	–	–	–	–	–	–	–	–
Public contributions & donations	68,895	62,158	80,131	9,011	76,666	78,115	(1,450)	-2%	80,131
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–
Total sources of capital funds	68,895	62,158	80,131	9,011	76,666	78,115	(1,450)	-2%	80,131
Financial position									
Total current assets	3,202	3,200	3,500		4,029				3,500
Total non current assets	12,396	12,786	12,786		11,932				12,786
Total current liabilities	4,904	1,542	1,542		9,489				1,542
Total non current liabilities	89,811	82,233	86,933		86,141				86,933
Community wealth/Equity	–	–	–		–				–
Cash flows									
Net cash from (used) operating	(521)	(3,724)	(3,724)	(117)	(6,432)	(5,470)	962	-18%	(3,724)
Net cash from (used) investing	(80,665)	(77,302)	(103,123)	(5,425)	(82,989)	(85,936)	(2,947)	3%	(103,123)
Net cash from (used) financing	(8,170)	(8,608)	(8,608)	–	(5,733)	(7,173)	(1,440)	20%	(8,608)
Cash/cash equivalents at the month/year end	11,965	25,664	20,944	–	20,944	20,944	–		20,944
Debtors & creditors analysis	Budget Year 2017/18	0	0	0	0	0	0	0	Total
Debtors Age Analysis									
Total By Income Source	581	30	(5)	11	(273)	(12)	29	(2,033)	(1,673)
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 May is R350, 701 million and the year to date budget of R419, 820 million and this reflects a negative variance of R61, 119 million that can be attributed to property rates, service charges electricity and refuse removal that have negative variance. The following are the secondary revenue item categories reflecting a negative and positive material variance:

- Interest earned – outstanding Debtors 30% unfavorable variance,
- Rental on Facilities and Equipment: 35% unfavorable variance,
- Transfer and Subsidies: 6% unfavorable variance
- License and Permits: 10% favorable variance
- Fines: 84% unfavorable variance
- Other revenue: 26% unfavorable variance

Operating Expenditure

The year to date operational expenditure as at end of May amounts to R320, 328 million and the year to date budget is R329, 095 million and this reflects an underspending variance of R8, 767 million that translates to 3% negative variance. The variance is attributed to non-incorporation of depreciation and debt impairment amount. The municipality is however, in a process of linking the Asset Management system with core financial system so that the depreciation calculated on the initial system can be interfaced to the financial system and this will assist in doing away with the practice of calculating depreciation only at year end.

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

- Finance Charges: 85% under performance variance
- Transfers and subsidies: 22% under performance variance
- Other Material: 27% under performance variance
- Other expenditure: 11% under performance variance

Capital Expenditure

The year to date actual capital expenditure as at end of May amounts to R96, 550 million and the year to date budget amounts to R99, 453 million and this gives rise to R2, 903 million under performance variance.

Surplus/Deficit

Taking the above into consideration, the net operating surplus/deficit for the month of May is R32, 773 million

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of May amounts to R60, 177 million and this shows an increase of R11, 996 million as compared to R48, 181 million as at end of 2016/17 financial year.

Consumer debtors is made up of service charges and property rates that amount to R45, 800 million and other debtors amounting to R14, 377 million.

Creditors

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

Table C2 – Financial Performance (Standard Classification)

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	253,047	174,125	187,960	3,391	182,837	184,885	(2,049)	-1%	187,960
Executive and council	253,047	170,084	183,920	3,391	178,796	180,844	(2,049)	-1%	183,920
Finance and administration	–	4,041	4,041	–	4,041	4,041	(0)	0%	4,041
Internal audit	–	–	–	–	–	–	–	–	–
Community and public safety	45	14,211	19,811	6	13,847	19,134	(5,287)	-28%	19,811
Community and social services	45	12,846	18,446	6	12,483	17,769	(5,286)	-30%	18,446
Sport and recreation	–	–	–	–	–	–	–	–	–
Public safety	–	1,365	1,365	–	1,364	1,365	(1)	0%	1,365
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	115,853	150,237	200,822	7,508	126,163	183,829	(57,666)	-31%	200,822
Planning and development	115,853	150,237	200,822	7,508	126,163	183,829	(57,666)	-31%	200,822
Road transport	–	–	–	–	–	–	–	–	–
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	91,070	129,716	132,905	6,694	109,267	121,881	(12,614)	-10%	132,905
Energy sources	91,070	129,716	132,905	6,694	109,267	121,881	(12,614)	-10%	132,905
Water management	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	460,016	468,288	541,499	17,599	432,114	509,729	(77,615)	-15%	541,499
Expenditure - Functional									
Governance and administration	262,557	151,304	191,570	14,267	163,114	164,313	(1,199)	-1%	191,570
Executive and council	258,940	147,263	187,526	13,948	159,877	160,619	(742)	0%	187,526
Finance and administration	3,617	4,041	4,044	319	3,237	3,694	(457)	-12%	4,044
Internal audit	–	–	–	–	–	–	–	–	–
Community and public safety	13,907	16,997	15,973	806	10,756	12,216	(1,460)	-12%	15,973
Community and social services	12,895	15,633	14,759	759	9,972	11,118	(1,146)	-10%	14,759
Sport and recreation	–	–	–	–	–	–	–	–	–
Public safety	1,012	1,364	1,214	47	784	1,098	(315)	-29%	1,214
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	103,151	117,737	114,087	4,800	54,169	58,599	(4,430)	-8%	114,087
Planning and development	103,151	117,737	114,087	4,800	54,169	58,599	(4,430)	-8%	114,087
Road transport	–	–	–	–	–	–	–	–	–
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	121,089	105,754	114,515	12,913	96,310	98,759	(2,449)	-2%	114,515
Energy sources	121,089	105,754	114,515	12,913	96,310	98,759	(2,449)	-2%	114,515
Water management	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	500,704	391,793	436,145	32,786	324,349	333,888	(9,539)	-3%	436,145
Surplus/ (Deficit) for the year	(40,689)	76,495	105,354	(15,188)	107,765	175,842	(68,077)	-39%	105,354

Table C3 – Financial Performance (Revenue and Expenditure by vote)

Vote Description	2016/17	Budget Year 2017/18							
	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	31,540	–	31,540	31,540	(0)	0%	31,540
Vote 2 - Municipal Manager	–	15,805	15,805	–	14,716	15,805	(1,088)	-7%	15,805
Vote 3 - Budget & Treasury	253,036	70,368	85,500	3,379	80,099	81,089	(990)	-1%	85,500
Vote 4 - Corporate Services	12	33,797	33,842	12	33,865	33,836	30	0%	33,842
Vote 5 - Community Services	62,691	89,322	122,251	1,922	64,477	110,815	(46,338)	-42%	122,251
Vote 6 - Technical Services	142,642	200,885	220,489	12,146	182,609	204,812	(22,203)	-11%	220,489
Vote 7 - Developmental Planning	1,635	8,435	13,935	139	6,671	13,696	(7,025)	-51%	13,935
Vote 8 - Executive Support	–	12,731	12,731	–	12,731	12,731	0	0%	12,731
Total Revenue by Vote	460,016	462,883	536,093	17,599	426,709	504,324	(77,614)	-15%	536,093
Expenditure by Vote									
Vote 1 - Executive & Council	31,808	31,940	38,267	2,798	32,094	34,757	(2,664)	-8%	38,267
Vote 2 - Municipal Manager	27,365	15,826	23,102	1,070	20,586	21,540	(953)	-4%	23,102
Vote 3 - Budget & Treasury	128,458	39,702	59,430	6,053	56,767	52,867	3,900	7%	59,430
Vote 4 - Corporate Services	40,771	39,326	38,589	2,269	29,368	30,440	(1,073)	-4%	38,589
Vote 5 - Community Services	55,374	71,741	79,098	5,406	52,428	52,364	64	0%	79,098
Vote 6 - Technical Services	183,344	165,483	165,601	12,453	106,390	112,655	(6,265)	-6%	165,601
Vote 7 - Developmental Planning	12,074	9,604	10,737	771	7,858	9,714	(1,855)	-19%	10,737
Vote 8 - Executive Support	16,881	12,767	16,063	1,601	14,838	14,758	79	1%	16,063
Total Expenditure by Vote	496,076	386,388	430,887	32,421	320,328	329,095	(8,767)	-3%	430,887
Surplus/ (Deficit) for the year	(36,060)	76,495	105,207	(14,822)	106,381	175,228	(68,848)	-39%	105,207

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	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	25,815	26,472	34,805	2,516	31,048	32,089	(1,041)	-3%	34,805
Service charges - electricity revenue		81,206	81,206	6,072	66,667	72,970	(6,303)	-9%	81,206
Service charges - water revenue	70,745	-	-	-	-	-	-		-
Service charges - sanitation revenue		-	-	-	-	-	-		-
Service charges - refuse revenue		8,616	11,616	621	8,720	10,310	(1,590)	-15%	11,616
Service charges - other	6,506	-	-	-	-	-	-		-
Rental of facilities and equipment		1,935	1,000	53	594	909	(315)	-35%	1,000
Interest earned - external investments	1,319	3,701	2,500	285	2,081	2,151	(69)	-3%	2,500
Interest earned - outstanding debtors	2,889	6,260	14,260	550	9,026	12,825	(3,798)	-30%	14,260
Dividends received	6,469	-	-	-	-	-	-		-
Fines, penalties and forfeits		30,000	55,016	751	7,343	46,078	(38,735)	-84%	55,016
Licences and permits	50,885	5,171	4,500	544	4,457	4,054	403	10%	4,500
Agency services	5,255	-	-	-	-	-	-		-
Transfers and subsidies		226,163	226,163	158	211,423	225,758	(14,336)	-6%	226,163
Other revenue	213,105	2,499	13,678	206	9,343	12,677	(3,334)	-26%	13,678
Gains on disposal of PPE	8,098	-	-	-	2,400		2,400	#DIV/0!	-
Total Revenue (excluding capital transfers)	391,085	392,023	444,744	11,757	353,101	419,820	(66,719)	-16%	444,744
Expenditure By Type									
Employee related costs	117,781	123,460	126,105	10,515	120,981	116,736	4,245	4%	126,105
Remuneration of councillors	20,298	22,113	23,430	1,875	20,559	21,220	(661)	-3%	23,430
Debt impairment	21,128	26,372	26,372	-	-	-	-		26,372
Depreciation & asset impairment	47,998	51,200	51,200	-	-	-	-		51,200
Finance charges	1,426	3,124	2,124	(122)	281	1,819	(1,538)	-85%	2,124
Bulk purchases	65,729	69,165	70,165	9,623	61,971	63,552	(1,581)	-2%	70,165
Other materials	12,873	13,497	11,821	246	7,870	10,767	(2,898)	-27%	11,821
Contracted services	43,080	25,350	65,237	7,120	61,029	60,359	670	1%	65,237
Transfers and subsidies	708	3,724	3,724	117	6,420	8,180	(1,760)	-22%	3,724
Other expenditure	161,695	48,384	50,709	3,046	41,218	46,462	(5,245)	-11%	50,709
Loss on disposal of PPE	3,360	-	-	-	-	-	-		-
Total Expenditure	496,076	386,388	430,886	32,421	320,328	329,095	(8,767)	-3%	430,886
Surplus/(Deficit)	(104,990)	5,635	13,857	(20,664)	32,773	90,725	(57,952)	-64%	13,857
Transfers and subsidies - capital (monetary allocations)	68,930	70,860	91,349	5,842	73,608	84,504	(10,896)	-13%	91,349
Transfers and subsidies - capital (monetary allocations)		-					-		-
Transfers and subsidies - capital (in-kind - all)		-					-		-
Surplus/(Deficit) after capital transfers	(36,060)	76,495	105,207	(14,822)	106,381	175,228			105,207
Taxation		-							-
Surplus/(Deficit) after taxation	(36,060)	76,495	105,207	(14,822)	106,381	175,228			105,207
Attributable to minorities		-							-
Surplus/(Deficit) attributable to municipality	(36,060)	76,495	105,207	(14,822)	106,381	175,228			105,207
Share of surplus/ (deficit) of associate		-							-
Surplus/ (Deficit) for the year	(36,060)	76,495	105,207	(14,822)	106,381	175,228		-	105,207

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections are on Service charged, Fines, Licenses and permits, Rental of facilities, and outstanding debtors and other revenue. In the case of expenditure, the following line items reflect material variance; Finance charges, Other material, transfer and subsidies and Other expenditure.

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

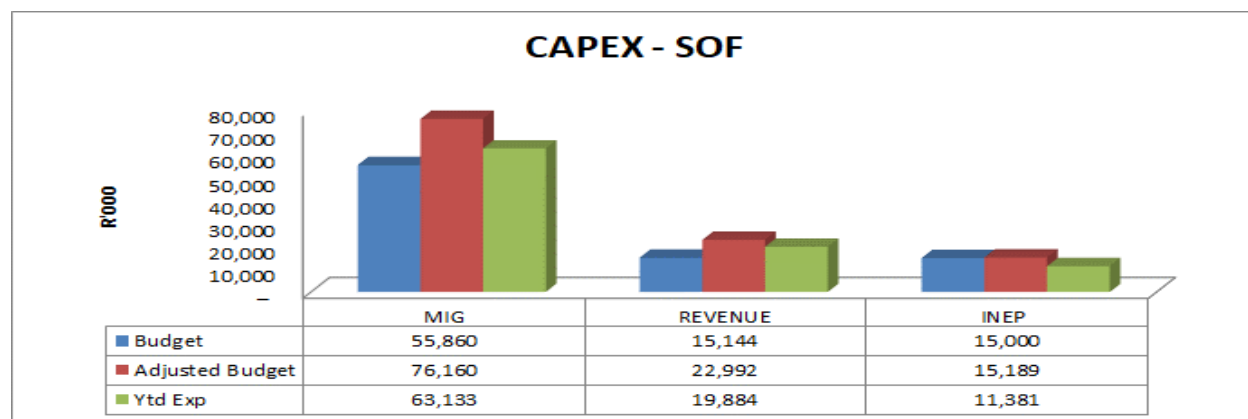
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

Vote Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	2,091	500	1,300	453	950	1,178	(229)	-19%	1,300
Executive and council	–	–	–	–	–	–	–	–	–
Finance and administration	2,091	500	1,300	453	950	1,178	(229)	-19%	1,300
Internal audit	–	–	–	–	–	–	–	–	–
Community and public safety	181	700	8,479	1,499	8,589	8,628	(39)	0%	8,479
Community and social services	28	–	–	–	–	–	–	–	–
Sport and recreation	–	700	8,479	1,499	8,589	8,628	(39)	0%	8,479
Public safety	153	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	67,241	62,944	80,021	16,448	77,534	77,384	150	0%	80,021
Planning and development	–	–	–	–	–	–	–	–	–
Road transport	67,241	62,944	80,021	16,448	77,534	77,384	150	0%	80,021
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	11,151	13,158	13,324	586	9,478	12,263	(2,785)	-23%	13,324
Energy sources	11,151	13,158	13,324	586	9,478	12,263	(2,785)	-23%	13,324
Water management	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional Classification	80,665	77,302	103,123	18,986	96,550	99,453	(2,903)	-3%	103,123
Funded by:									
National Government	68,895	62,158	80,131	9,011	76,666	78,115	(1,450)	-2%	80,131
Provincial Government	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	68,895	62,158	80,131	9,011	76,666	78,115	(1,450)	-2%	80,131
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	11,770	15,144	22,992	9,975	19,884	21,338	(1,453)	-7%	22,992
Total Capital Funding	80,665	77,302	103,123	18,986	96,550	99,453	(2,903)	-3%	103,123

Table C5C: Monthly Capital Expenditure by Vote

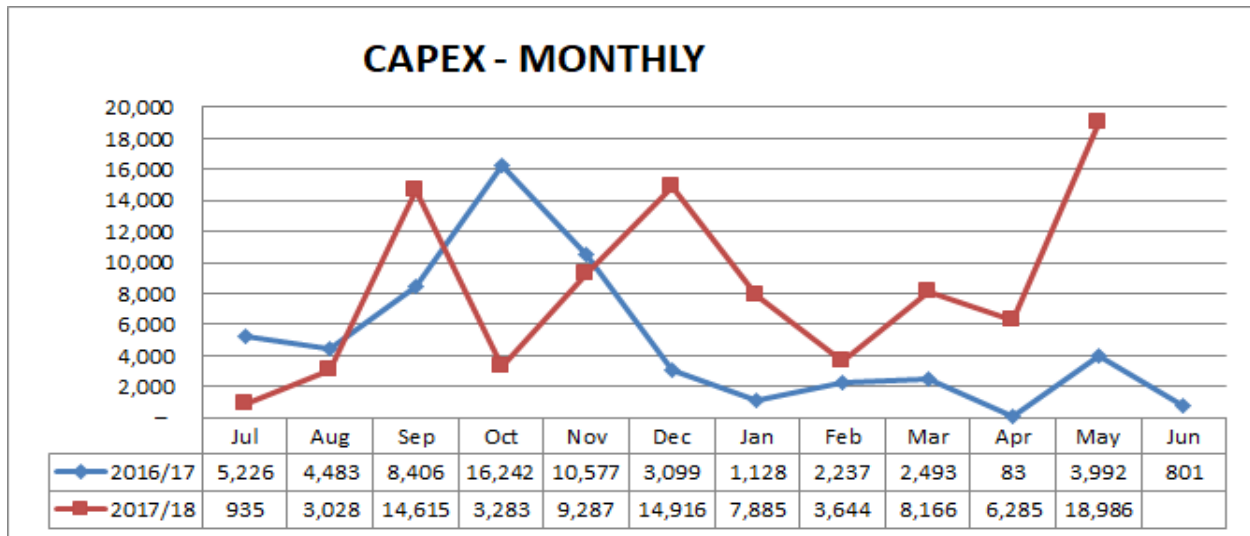
Vote Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	500	1,300	453	950	1,278	(329)	-26%	1,300
Vote 5 - Community Services	28	500	500	-	-	500	(500)	-100%	500
Vote 6 - Technical Services	50,994	52,539	75,747	11,911	70,028	75,360	(5,331)	-7%	75,747
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	51,021	53,539	77,547	12,365	70,978	77,138	(6,160)	-8%	77,547
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,508	-	-	-	-	-	-	-	-
Vote 5 - Community Services	153	700	400	-	285	400	(115)	-29%	400
Vote 6 - Technical Services	27,399	23,063	25,176	6,621	25,287	21,915	3,372	15%	25,176
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	583	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	29,643	23,763	25,576	6,621	25,572	22,315	3,257	15%	25,576
Total Capital Expenditure	80,665	77,302	103,123	18,986	96,550	99,453	(2,903)	-3%	103,123

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 May 2018, R18, 986 million spending was incurred and that increased the year to date expenditure to R96, 550 million whilst the year to date budget is R99, 453 million and this gave rise to under spending variance of R2, 903 million that translates to 3%.



The above graph shows the components of sources of finance for capital budget. Of the total capital adjusted budget of R103, 123 million, R76, 159 million is funded from Municipal

Infrastructure grant, R15, 189 million from INEP and R 22, 992 million from own revenue and the spending per source of finance is presented in the above graph.



The above graph compares the 2016/17 and 2017/18 monthly capital expenditure performance. The graph shows performance and/or spending improvement pattern in all the months except for October and November, when comparing the 2017/18 and 2016/17 results.

Table C6: Monthly Budget Statement Financial Position

Description	2016/17	Budget Year 2017/18			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	5,288	4,400	4,400	3,547	4,400
Call investment deposits	15,657	28,568	11,568	10,059	11,568
Consumer debtors	20,636	34,600	30,600	51,751	30,600
Other debtors	42,835	36,846	42,846	68,006	42,846
Current portion of long-term receivables	–	–	–	–	–
Inventory	3,202	3,200	3,500	4,029	3,500
Total current assets	87,618	107,614	92,914	137,391	92,914
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	–	–	–	–	–
Investment property	55,728	96,146	55,728	56,136	55,728
Investments in Associate	–	–	–	–	–
Property, plant and equipment	938,356	957,866	957,866	1,028,432	957,866
Agricultural	–	–	–	–	–
Biological assets	–	–	–	–	–
Intangible assets	291	–	291	291	291
Other non-current assets	12,396	12,786	12,786	11,932	12,786
Total non current assets	1,006,770	1,066,797	1,026,671	1,096,791	1,026,671
TOTAL ASSETS	1,094,388	1,174,411	1,119,584	1,234,182	1,119,584
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	6,900	8,608	5,608	299	5,608
Consumer deposits	5,633	5,089	5,089	5,723	5,089
Trade and other payables	82,244	45,253	50,253	86,707	50,253
Provisions	4,904	1,542	1,542	9,489	1,542
Total current liabilities	99,680	60,491	62,491	102,218	62,491
Non current liabilities					
Borrowing	–	16,500	19,500	–	19,500
Provisions	89,811	82,233	86,933	86,141	86,933
Total non current liabilities	89,811	98,733	106,433	86,141	106,433
TOTAL LIABILITIES	189,492	159,224	168,924	188,359	168,924
NET ASSETS	904,896	1,015,187	950,660	1,045,823	950,660
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	904,896	1,015,187	950,660	1,045,823	950,660
Reserves		–		–	–
TOTAL COMMUNITY WEALTH/EQUITY	904,896	1,015,187	950,660	1,045,823	950,660

The above table shows that community wealth amounts to R1, 045 billion, total liabilities R188, 359 million and the total assets R1, 234 billion. Non-current liabilities is mainly made up of provisions for long service award, landfill site and bonus.

Included in the trade and other payables is unspent conditional grants amounting to R7, 588 million relating to MIG, INEP, FMG and EPWP.

Table C7: Monthly Budget Statement Cash Flow

Description	2016/17	Budget Year 2017/18							
	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	20,966	21,177	26,104	1,749	17,425	17,807	(382)	-2%	26,104
Service charges	69,070	83,078	79,245	6,286	60,810	56,402	4,408	8%	79,245
Other revenue	10,066	13,516	24,449	1,943	33,391	17,832	15,560	87%	24,449
Government - operating	214,632	226,163	226,163	-	226,163	226,163	(0)	0%	226,163
Government - capital	83,703	70,860	91,349	-	81,860	76,124	5,736	8%	91,349
Interest	10,410	5,579	5,352	221	1,931	4,460	(2,529)	-57%	5,352
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(308,578)	(320,424)	(338,227)	(32,304)	(347,276)	(281,856)	65,420	-23%	(338,227)
Finance charges	(1,426)	(3,124)	(4,124)	-	(448)	(3,437)	(2,989)	87%	(4,124)
Transfers and Grants	(521)	(3,724)	(3,724)	(117)	(6,432)	(5,470)	962	-18%	(3,724)
NET CASH FROM/(USED) OPERATING ACTIVITIES	98,321	93,102	106,587	(22,222)	67,424	108,026	40,601	38%	106,587
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	-	-	600	-	-	-	-	-	600
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	(529)	-	-	48	14,096	-	14,096	#DIV/0!	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(80,665)	(77,302)	(103,123)	(5,425)	(82,989)	(85,936)	(2,947)	3%	(103,123)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(81,193)	(77,302)	(102,523)	(5,377)	(68,893)	(85,936)	(17,043)	20%	(102,523)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	21	111	(433)	-	(137)	1,475	(1,612)	-109%	(433)
Payments									
Repayment of borrowing	(8,170)	(8,608)	(8,608)	-	(5,733)	(7,173)	(1,440)	20%	(8,608)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(8,149)	(8,497)	(9,041)	-	(5,870)	(5,698)	172	-3%	(9,041)
NET INCREASE/ (DECREASE) IN CASH HELD	8,979	7,304	(4,977)	(27,600)	(7,339)	16,392			(4,977)
Cash/cash equivalents at beginning:	11,965	25,664	20,944		20,944	20,944			20,944
Cash/cash equivalents at month/year end:	20,944	32,968	15,968		13,606	37,336			15,968

Table C7 presents details pertaining to cash flow performance. As at end of May 2018, the net cash inflow from operating activities is R67, 424 million whilst net cash outflow from investing activities is R68, 893 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R5, 870 million. The cash and cash equivalent held at end of May 2018 amounted to R13, 606 million and the net effect of the above cash flows is cash outflow movement of R20, 944 million. The cash and cash equivalent at end of the reporting period of R13, 606 million is made up of cash amounting to R3, 547 million and short term investment of R10, 059 million for the reporting period.

PART 2: SUPPORTING TABLES

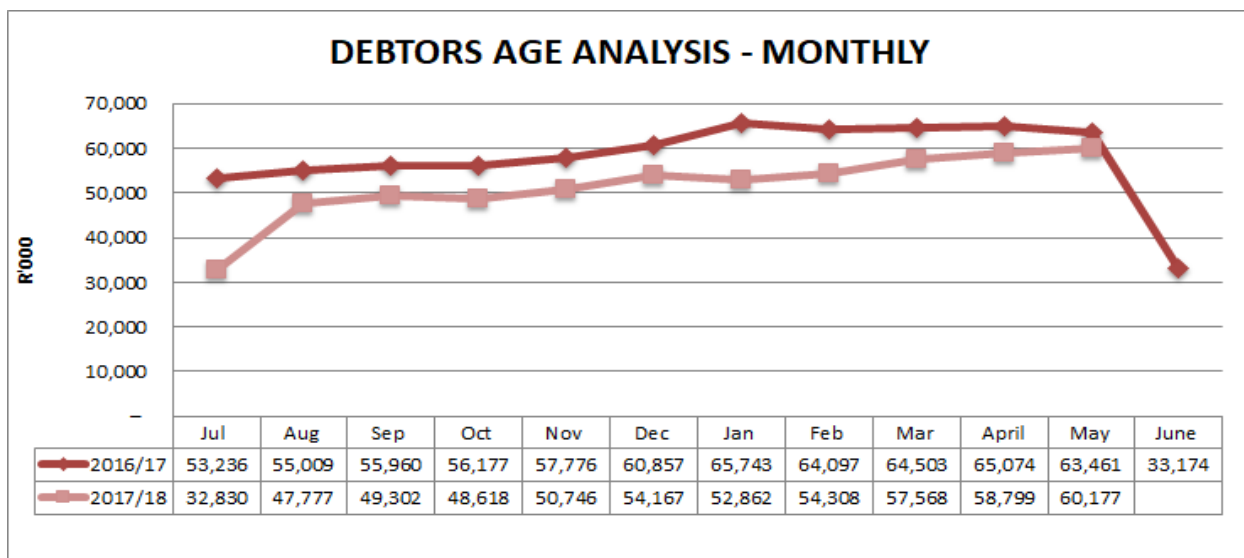
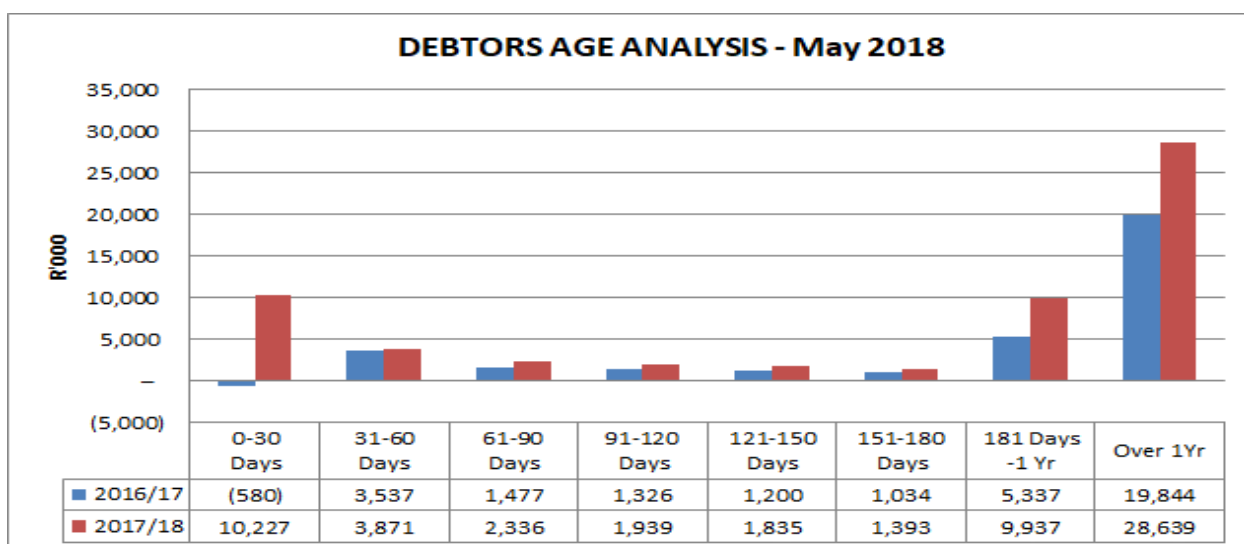
Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2017/18											Impairment - Bad Debts i.t.o Council Policy
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off	
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water									-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	5,916	1,602	527	193	114	65	417	3,057	11,891	3,846	-	-
Receivables from Non-exchange Transactions - Property Rates	2,520	1,215	922	859	789	753	4,318	15,067	26,443	21,785	-	-
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	621	426	377	350	338	324	2,046	1,824	6,306	4,882	-	-
Receivables from Exchange Transactions - Property Rental Debtors	52	25	6	2	57	2	70	947	1,160	1,078	-	-
Interest on Arrear Debtor Accounts	637	607	581	546	521	500	3,018	9,732	16,142	14,317	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	479	(4)	(77)	(11)	17	(250)	68	(1,988)	(1,765)	(2,164)	-	-
Total By Income Source	10,227	3,871	2,336	1,939	1,835	1,393	9,937	28,639	60,177	43,743	-	-
2016/17 - totals only	(580)	3,537	1,477	1,326	1,200	1,034	5,337	19,844	33,174	28,740		
Debtors Age Analysis By Customer Group												
Organs of State	1,381	635	577	417	366	119	1,807	7,690	12,993	10,399	-	-
Commercial	5,216	1,481	416	328	282	243	1,344	4,406	13,718	6,604	-	-
Households	2,984	1,372	969	822	760	675	4,774	8,592	20,947	15,622	-	-
Other	645	383	373	371	427	356	2,013	7,951	12,519	11,118	-	-
Total By Customer Group	10,227	3,871	2,336	1,939	1,835	1,393	9,937	28,639	60,177	43,743	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of May amount to R60, 177 million. The debtors' book is made up as follows:

- Rates 44%
- Electricity 20%
- Rental 2%
- Refuse removal 10%
- Interest on Debtors 27%
- Other -3%

The debtors' age analysis is graphically presented below.



The initial graph compares debtors' age analysis for 2016/17 financial year and 2017/18 (as at end of May 2018) whilst the latter shows monthly movement of debtors for both the current financial year and the 2016/17 financial year.

The debtors book is materially less than the 2016/17 monthly figures and this is attributed to debtors write off done at end of 2016/17 financial year. The debtor's amount increased significantly from January to May and started increasing slightly going forward.

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

TOP TWENTY DEBTORS

Acc Number	Customer Name	Owner Type	Town/Suburb	Amount
9005301	TWIN CITY TRAD	OWNER	FARMS JS	R1,220,270
9012345	BREED J & OOSTH	OCCUPIER	FARMS JS	R1,005,692
201885	SHOPRITE CHECK	OCCUPIER	GROBLERSDAL	R544,920
214913	MEAT SPOT	OCCUPIER	GROBLERSDAL	R509,639
1501364	JAN JOUBERT TR	OWNER	GROBLERSDAL	R509,133
9000000	REPUBLIC VAN S	OWNER	FARMS JS	R401,679
9900067	WATER PURIFICAT	OCCUPIER	GROBLERSDAL	R397,895
9900028	ELIAS MOTSOLED	OCCUPIER	GROBLERSDAL	R379,189
9001077	ROYAL SQUARE IN	OWNER	FARMS JS	R344,679
211693	BOXER SUPERST	OCCUPIER	GROBLERSDAL	R342,834
200106	ANABEL AND T INV	OCCUPIER	GROBLERSDAL	R331,438
9000804	NATIONAL GOVERNMENT	OWNER	FARMS JS	R293,944
5001708	UNITRADE 518 (PTY) LTD	OWNER	ROOSSENEKAL	R190,365
9002958	PROVINCIAL GOVERNMENT OF LIMP	OWNER	FARMS JS	R187,051
9000276	DEP OF PUBLIC WORKS-PROV	OWNER	FARMS JS	R179,710
9002065	GOVERNMENT OF KWANDEBELE	OWNER	FARMS JS	R173,121
9053280	GOVERNMENT OF LIM	OWNER	FARMS JS	R168,938
9002067	NATIONAL GOVERNMENT	OWNER	FARMS JS	R166,126
9000802	9000802	OWNER	FARMS JS	R163,205
2200702	NAMIB FAMILY TRUST	OWNER	GROBLERSDAL	R151,334

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2017/18									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. 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 CREDITORS PAID

CODE	CREDITOR NAME	AMOUNT
41111	MOAGI TECHNOLOGIES	(487,474)
35516	MAHLOME TRADING ENTERPRISE	(163,277)
41027	KDM TRAVEL EXPRESS	(130,388)
80552	MOHLAKA MEDIA SOLUTIONS	(125,563)
37770	BAHLOTSE TRADING (PTY) LTD	(101,780)
80653	BABIRWA TRAVEL	(92,734)
37711	BAUPA TRADING ENTERPRISE	(86,100)
80654	MPOFU ELECTRICAL SERVICES	(71,853)
31335	247 TRAVEL AND TOURISM	(45,921)
41095	REAKGONA TRAVEL SERVICES	(37,500)
504	SEKHOBHA PROJECTS	(30,010)
80580	HLOMPHO COMMUNICATIONS	(29,585)
35380	SYLOVIAL TRADING & PROJECTS CC	(28,900)
80662	META NAPE (PTY) LTD	(28,800)
35552	TSHETHA INVESTEMENTS (PTY) LTD	(28,300)
80597	ELMOK EMPOWERMENT (PTY) LTD	(28,200)
80670	MY KGOTSOFALO	(26,250)
41017	RONELI DEVELOPERS PTY LTD	(25,900)
80666	MOEMY TRADING AND PROJECTS	(25,000)
41061	KGADI YA MALAPA TRADING	(22,900)
TOTAL		(1,616,435)

The above table presents the top creditors paid during the month of May 2018 and an amount of R1, 616 million was paid to these creditors during the reporting period.

Supporting Table: SC 5 - Investment Portfolio

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date	Accrued interest	Yield for the month (%)	Market Value - Opening	Change in market value	Market Value - Closing
Nedbank	1 Month	Current Investment	30-May-18	1	7.47%	-	10,000	10,001
Nedbank	2 Months	Current Investment	28-May-18	68	7.55%	15,109	(15,121)	-
Nedbank	3 Months	Current Investment	26-Jun-18	92	7.70%	15,111	(15,135)	-
VBS			31-Mar-18	0		56	-	56
VBS			2-Jul-17			1	-	1
TOTAL INVESTMENTS AND INTEREST				162		30,276	(20,256)	10,059

Supporting table SC5 presents all investments, and it indicates that municipality had R10, 059 million short term investment at end of May 2018. Municipality had R30, 276 million short term investment at the beginning of the month, and an amount of R20, 256 million was withdraw in the reporting period. Accrued interest for the month amounted to R162 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

Description	2016/17	Budget Year 2017/18							
	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:	213,105	226,163	226,163	-	226,163	226,163	-		226,163
Local Government Equitable Share	210,385	223,019	223,019	-	223,019	223,019	-		223,019
Finance Management	1,625	1,700	1,700	-	1,700	1,700			1,700
EPWP Incentive	1,095	1,444	1,444	-	1,444	1,444			1,444
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	213,105	226,163	226,163	-	226,163	226,163	-		226,163
Capital Transfers and Grants									
National Government:	85,419	70,860	74,860	-	85,860	85,860	-		74,860
Municipal Infrastructure Grant (MIG)	72,419	55,860	59,860	-	70,860	70,860	-		59,860
Intergrated National Electrification Grant	13,000	15,000	15,000	-	15,000	15,000	-		15,000
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	85,419	70,860	74,860	-	85,860	85,860	-		74,860
TOTAL RECEIPTS OF TRANSFERS & GRANTS	298,524	297,023	301,023	-	312,023	312,023	-		301,023

Supporting tables SC6 provides details of grants received. The year to date actual receipts amount to R312, 023 million of which the major portion is attributed to equitable share. All the grants allocated for the current financial year, so far have been received all the allocations in line with National Treasury payment schedule. The variance of R7 million presented in the above table is as a result of additional allocation on Municipal Infrastructure Grant. The total additional allocation amounted to R11 million and R4 million has already been appropriated in the adjustment budget and the figure was afterwards revised to R11 million. The municipality is in a process of appropriating the additional allocation of R7 million through special adjustment budget.

Supporting Table: SC 7 Transfers and grants – Expenditure

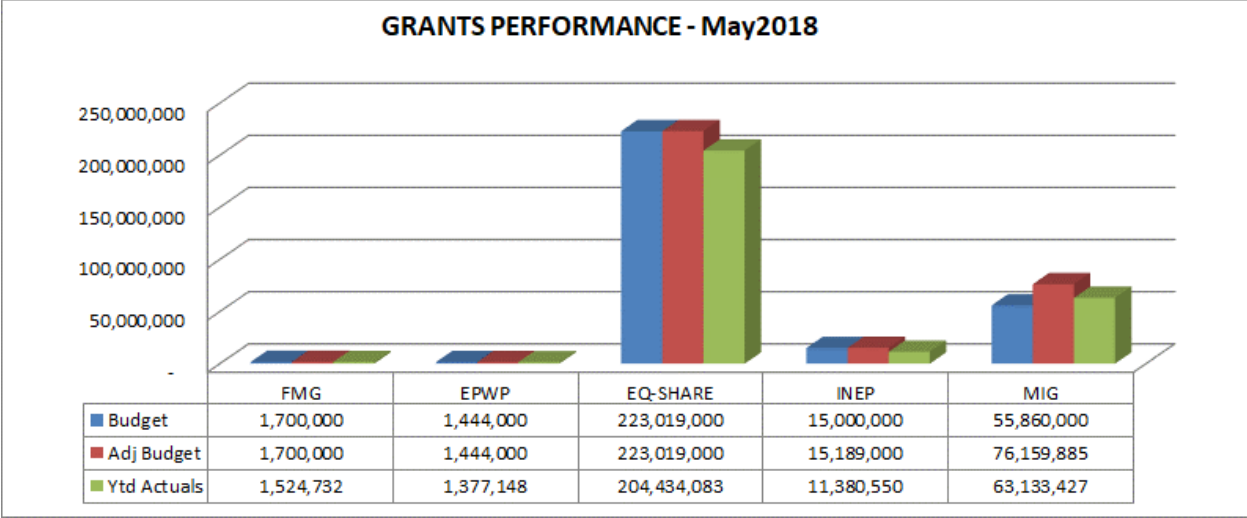
Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	214,632	226,163	226,163	18,743	207,336	188,763	18,573	10%	226,163
Local Government Equitable Share	211,912	223,019	223,019	18,585	204,434	185,849	18,585	10%	223,019
Finance Management	1,625	1,700	1,700	25	1,525	1,613	(89)	-5%	1,700
EPWP Incentive	1,095	1,444	1,444	133	1,377	1,300	77	6%	1,444
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:	-	-	-	-	-	-	-		-
Capital expenditure of Transfers and Grants	214,632	226,163	226,163	18,743	207,336	188,763	18,573	10%	226,163
National Government:	68,874	70,860	91,349	5,842	74,514	85,187	(10,673)	-13%	91,349
Municipal Infrastructure Grant (MIG)	56,064	55,860	76,160	5,842	63,133	72,187	(9,053)	-13%	76,160
Intergrated National Electrification Grant	12,811	15,000	15,189	-	11,381	13,000	(1,619)	-12%	15,189
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants	68,874	70,860	91,349	5,842	74,514	85,187	(10,673)	-13%	91,349
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	283,507	297,023	317,512	24,584	281,850	273,949	7,901	3%	317,512

An amount of R24, 584 million has been spent on grants during the month of May 2018 and the year to date actuals is R281, 850 million whilst the year to date budget amounts to R 273, 949 million and this results in overspending variance of R7, 901 that translates to 3%. Of the total spending amounting to R281, 850 million, R207, 336 million is spent on operational grants whilst R85, 514 million is spent of capital grants.

Supporting Table: SC 7 (2) Expenditure against approved roll over

Description	Budget Year 2017/18				
	Approved Rollover 2016/17	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				-	
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:	16,489	771	16,489	-	
Municipal Infrastructure Grant (MIG)	16,300	771	16,300	-	
Intergrated National Electrification Grant	189	-	189	-	
Provincial Government:	-	-	-	-	
N/A				-	
District Municipality:	-	-	-	-	
N/A				-	
Other grant providers:					
N/A					
Total capital expenditure of Approved Roll-overs	16,489	771	16,489	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	16,489	771	16,489	-	

The total amount of R16, 489 million has been rolled over from the 2016/17 financial year of which R 16, 489 has been spent which shows a 100% variance when compared to the total rolled over amount.



The above graph depicts the gazetted and budgeted amounts for all the grants and the expenditure thereof as at end of May 2018. The grants expenditure is shown below in percentages:

- Financial Management Grant 89, 69%
- Expanded Public Work Programme 95, 37%
- Equitable Share 91, 65%
- Municipal Infrastructure Grant 82, 90%
- Integrated National Electrification Grant 74, 93%

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Employee and Councillor remuneration	2016/17	Budget Year 2017/18							
	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	12,363	14,748	14,757	1,080	11,611	13,300	(1,689)	-13%	14,757
Pension and UIF Contributions	1,691	1,670	1,670	129	1,649	1,536	114	7%	1,670
Medical Aid Contributions	250	285	285	28	267	261	6	2%	285
Motor Vehicle Allowance	4,672	4,788	4,788	412	4,535	4,380	155	4%	4,788
Cellphone Allowance	1,146	612	1,670	226	2,483	1,743	740	42%	1,670
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	9	-	-	14	9	5	51%	-
Sub Total - Councillors	20,122	22,113	23,171	1,875	20,559	21,229	(670)	-3%	23,171
% increase		10%	15%						15%
Senior Managers of the Municipality									
Basic Salaries and Wages	5,416	4,745	4,325	847	4,719	3,987	732	18%	4,325
Pension and UIF Contributions	317	1,021	921	48	291	792	(501)	-63%	921
Medical Aid Contributions	6	228	198	16	92	173	(81)	-47%	198
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	457	840	815	141	792	743	49	7%	815
Cellphone Allowance	5	14	59	10	51	53	(2)	-4%	59
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	130	75	292	5	291	283	8	3%	292
Payments in lieu of leave	-	-	165	-	140	151	(11)	-7%	165
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	6,331	6,923	6,775	1,067	6,376	6,183	194	3%	6,775
% increase		9%	7%						7%
Other Municipal Staff									
Basic Salaries and Wages	68,064	78,939	74,581	6,373	74,144	69,272	4,872	7%	74,581
Pension and UIF Contributions	14,452	14,523	16,183	1,312	15,249	14,948	300	2%	16,183
Medical Aid Contributions	4,235	4,340	5,059	422	4,673	4,646	27	1%	5,059
Overtime	2,835	1,595	2,784	330	2,610	2,513	97	4%	2,784
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	7,995	8,062	9,481	745	8,805	8,751	54	1%	9,481
Cellphone Allowance	116	636	845	60	529	748	(219)	-29%	845
Housing Allowances	152	145	214	14	162	194	(32)	-17%	214
Other benefits and allowances	7,651	7,333	8,489	76	7,129	8,053	(923)	-11%	8,489
Payments in lieu of leave	54	802	1,067	66	773	905	(132)	-15%	1,067
Long service awards	3,741	162	627	44	517	523	(5)	-1%	627
Post-retirement benefit obligations	962	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	110,255	116,537	119,330	9,443	114,591	110,553	4,038	4%	119,330
% increase		6%	8%						8%
Total Parent Municipality	136,708	145,573	149,276	12,385	141,527	137,965	3,562	3%	149,276
% increase		6%	9%						9%
TOTAL SALARY, ALLOWANCES & BENEFITS	136,708	145,573	149,276	12,385	141,527	137,965	3,562	3%	149,276
% increase		6%	9%						9%
TOTAL MANAGERS AND STAFF	116,586	123,460	126,105	10,510	120,968	116,736	4,232	4%	126,105

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of May 2018 amounts to R141, 527 million and the year to date budget is R137, 965 million and the expenditure for remuneration of councilors amounts to R20, 559 million while the year to date budget is R21, 229 million. The year to date actuals for senior managers is R3, 376 million and the year to date budget thereof is R6, 183 million and the year to date actuals for other municipal staff is R114, 591 million and the year to date budget is R110, 553 million. The remuneration of councilors and senior have under spending variance while senior manager and other municipal staff has over spending variance.

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

Description	Budget Year 2017/18												2017/18 Medium Term Revenue		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Budget	June Budget	Budget Year	Budget Year +1	Budget Year +2
Cash Receipts By Source															
Property rates	1,611	755	1,742	1,797	1,913	1,387	2,000	1,387	1,382	1,702	1,749	3,752	21,177	22,384	23,638
Service charges - electricity revenue	5,992	3,719	4,876	6,380	5,352	3,668	7,362	3,668	4,255	6,193	5,986	21,318	78,770	81,133	83,729
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse	354	216	288	340	320	273	350	273	241	489	300	863	4,308	4,553	4,808
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	28	15	31	28	19	20	59	20	37	28	28	1,622	1,935	2,046	2,160
Interest earned - external investments	154	135	–	63	–	127	230	–	15	256	161	2,560	3,701	3,912	4,132
Interest earned - outstanding debtors	114	26	78	134	86	49	97	49	32	62	59	1,091	1,878	1,985	2,096
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	25	2	4	28	4	2	2	2	3	390	1	4,037	4,500	4,757	5,023
Licences and permits	–	805	–	417	404	–	732	729	362	456	600	595	5,100	5,391	5,693
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer receipts - operating	94,626	361	–	–	649	74,339	–	–	56,188	–	–	0	226,163	238,214	247,841
Other revenue	1,369	812	1,324	3,060	8,160	1,065	12,994	1,040	817	1,653	1,313	(31,626)	1,981	2,094	2,211
Cash Receipts by Source	104,272	6,847	8,343	12,249	16,906	80,930	23,827	7,169	63,330	11,229	10,198	4,213	349,514	366,469	381,331
Other Cash Flows by Source															
Transfer receipts - capital	28,330	–	–	5,000	–	20,933	–	–	27,597	–	–	(11,000)	70,860	69,013	86,340
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase in consumer deposits	58	5	37	563	(131)	233	(102)	(9)	310	(25)	48	(876)	111	142	168
Receipt of non-current debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Receipt of non-current receivables	–	–	–	–	–	–	–	–	–	14,048	–	(14,048)	–	–	–
Change in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	132,660	6,852	8,380	17,812	16,776	102,096	23,725	7,160	91,237	25,253	10,246	(21,712)	420,485	435,624	467,839
Cash Payments by Type															
Employee related costs	9,543	9,580	9,600	9,680	9,411	15,354	9,799	9,603	9,553	10,069	10,515	10,756	123,460	130,069	137,325
Remuneration of councillors	1,694	1,694	1,694	1,694	1,694	1,695	1,694	1,801	2,599	1,875	1,875	1,784	21,794	23,036	24,326
Interest paid	–	74	123	51	44	–	67	–	45	–	(122)	2,843	3,124	790	645
Bulk purchases - Electricity	7,038	71	7,159	5,724	4,839	5,654	5,735	5,727	5,355	5,045	9,623	7,194	69,165	69,937	73,853
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	688	1,642	470	604	1,973	1,226	1,564	–	978	765	246	3,342	13,497	14,795	15,623
Contracted services	6,156	6,036	6,234	4,957	4,829	3,429	2,948	3,978	4,722	4,704	7,120	(29,764)	25,350	23,279	23,118
Grants and subsidies paid - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other	1,727	742	725	792	979	846	102	106	100	98	117	(2,609)	3,724	3,936	4,156
General expenses	24,438	4,706	4,063	3,717	4,779	9,701	3,219	12,387	4,257	6,347	2,958	(31,868)	48,703	46,114	47,108
Cash Payments by Type	51,284	24,544	30,067	27,218	28,548	37,904	25,128	33,602	27,608	28,903	32,332	(38,321)	308,817	311,956	326,154
Other Cash Flows/Payments by Type															
Capital assets	935	5,145	13,433	10,261	1,742	21,616	7,885	3,644	6,618	6,285	5,425	(5,688)	77,302	84,306	91,111
Repayment of borrowing	490	490	678	293	334	–	–	–	3,447	–	–	2,875	8,608	6,000	6,000
Other Cash Flows/Payments	–	3,389	3,043	–	–	3,197	–	–	4,016	–	–	4,811	18,455	18,576	26,322
Total Cash Payments by Type	52,710	33,569	47,221	37,773	30,624	62,716	33,012	37,246	41,688	35,188	37,757	(36,323)	413,181	420,837	449,586
NET INCREASE/(DECREASE) IN CASH HELD	79,950	(26,717)	(38,841)	(19,961)	(13,849)	39,380	(9,287)	(30,086)	49,548	(9,935)	(27,511)	14,611	7,304	14,787	18,253
Cash/cash equivalents at the month/year beginning:	20,913	100,863	74,147	35,306	15,345	1,496	40,876	31,589	1,503	51,052	41,116	13,606	20,913	28,217	43,004
Cash/cash equivalents at the month/year end:	100,863	74,147	35,306	15,345	1,496	40,876	31,589	1,503	51,052	41,116	13,606	28,217	28,217	43,004	61,256

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 R10, 246 million and the total cash payment for the month were R37, 757 million and this resulted in net decrease in cash held amounting to R27, 511 million and with cash and cash equivalent of R41, 116 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting to R13, 606 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2016/17	Budget Year 2017/18							
	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	5,226	1,624	1,624	935	935	1,624	689	42%	1%
August	4,483	4,590	4,590	3,028	3,963	6,214	2,251	36%	5%
September	8,406	7,000	7,000	13,273	17,236	13,214	(4,021)	-30%	22%
October	16,242	8,227	8,227	3,283	20,519	21,442	923	4%	27%
November	10,577	9,672	9,672	9,287	29,806	31,114	1,308	4%	39%
December	3,099	10,917	10,917	14,916	44,722	42,030	(2,691)	-6%	58%
January	1,128	6,450	6,450	7,885	52,607	48,480	(4,126)	-9%	68%
February	2,237	8,552	14,647	3,644	56,251	63,127	6,877	11%	73%
March	2,493	6,630	12,083	8,166	64,417	75,211	10,794	14%	83%
April	3,626	4,221	8,870	6,285	70,702	84,080	13,379	16%	91%
May	3,992	4,180	8,815	18,986	89,688	92,896	3,208	3%	116%
June	19,290	5,239	10,227			103,123	-		
Total Capital expenditure	80,799	77,302	103,123	89,688					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of May amounts to R18, 986 million. The year to date actuals amount to R89, 688 million whilst the year to date budget is R92, 896 million and this gives rise to under spending variance of R3, 208 million or 3,4%.

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

Description	2016/17	Budget Year 2017/18							
	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	32,884	32,281	48,394	10,097	46,052	46,489	437	0.9%	48,394
Roads Infrastructure	21,733	19,123	35,070	9,512	36,574	36,137	(437)	-1.2%	35,070
Roads	21,733	19,123	35,070	9,512	36,574	36,137	(437)	-1.2%	35,070
Road Structures		-	-				-		-
Road Furniture		-	-		-	-	-		-
Capital Spares		-	-				-		-
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	11,151	13,158	13,324	586	9,478	10,352	874	8.4%	13,324
Power Plants		-	-				-		-
HV Substations		-	-				-		-
HV Switching Station		-	-				-		-
HV Transmission Conductors	11,151	13,158	13,324	586	9,478	10,352	874	8.4%	13,324
MV Substations		-	-				-		-
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites		-	-				-		-
Waste Transfer Stations		-	-				-		-
Waste Processing Facilities		-	-				-		-
Community Assets	-	300	300	-	-	250	250	100.0%	300
Community Facilities	-	300	300	-	-	250	250	100.0%	300
Halls		-	-				-		-
Centres		-	-				-		-
Public Open Space	-	300	300			250	250	100.0%	300
Nature Reserves		-	-				-		-
Public Ablution Facilities		-	-				-		-
Other assets	1,298	-	-	-	-	-	-		-
Operational Buildings	1,298	-	-	-	-	-	-		-
Municipal Offices	583	-	-				-		-
Pay/Enquiry Points		-	-				-		-
Building Plan Offices		-	-				-		-
Workshops	715	-	-				-		-
Yards		-	-				-		-
Computer Equipment	1,168	300	800	424	731	750	19	2.5%	800
Computer Equipment	1,168	300	800	424	731	750	19	2.5%	800
Furniture and Office Equipment	340	200	500	30	218	500	282	56.4%	500
Furniture and Office Equipment	340	200	500	30	218	500	282	56.4%	500
Machinery and Equipment	2,100	600	1,200	-	859	950	91	9.6%	1,200
Machinery and Equipment	2,100	600	1,200	-	859	950	91	9.6%	1,200
Transport Assets	2,253	700	-	-	-	700	700	100.0%	-
Transport Assets	2,253	700	-			700	700	100.0%	-
Total Capital Expenditure on new assets	40,043	34,381	51,194	10,551	47,860	49,639	1,779	3.6%	51,194

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

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	37,997	38,474	41,914	6,936	40,281	39,798	(483)	-1.2%	41,914
Roads Infrastructure	37,997	38,474	41,914	6,936	40,281	39,798	(483)	-1.2%	41,914
Roads	37,997	38,474	41,414	6,936	40,281	39,298	(983)	-2.5%	41,414
Road Structures		-	-						
Road Furniture		-	500			500	500	100.0%	500
Capital Spares		-	-						
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	-	-	-	-	-	-	-		-
Power Plants		-	-						
HV Substations		-	-	-	-				
HV Switching Station		-	-						
HV Transmission Conductors	-	-	-						
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites		-	-						
Waste Transfer Stations		-	-						
Waste Processing Facilities		-	-						
Community Assets	1,694	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Halls		-	-						
Centres		-	-						
Crèches		-	-						
Sport and Recreation Facilities	1,694	-	-	-	-	-	-		-
Indoor Facilities		-	-						
Outdoor Facilities	1,694	-	-						
Capital Spares		-	-						
Other assets	932	500	500	-	-	500	500	100.0%	500
Operational Buildings	932	500	500	-	-	500	500	100.0%	500
Municipal Offices	-	500	500			500	500	100.0%	500
Pay/Enquiry Points		-	-						-
Building Plan Offices		-	-						-
Workshops		-	-						-
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	40,622	38,974	42,414	6,936	40,281	40,298	17	0.0%	42,414

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

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	4,633	6,700	7,850	428	7,372	10,564	3,191	30.2%	7,850
Roads Infrastructure	946	2,500	2,650	33	3,340	5,451	2,110	38.7%	2,650
Roads	946	2,500	2,650	33	3,340	5,451	2,110	38.7%	2,650
Road Structures		-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-
Electrical Infrastructure	1,802	1,900	1,900	114	1,494	1,926	432	22.4%	1,900
Power Plants		-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-
MV Networks	1,802	1,800	1,800	114	1,494	1,836	342	18.6%	1,800
Capital Spares		100	100	-	-	90	90	100.0%	100
Solid Waste Infrastructure	1,885	2,300	3,300	281	2,538	3,187	649	20.4%	3,300
Landfill Sites	1,885	2,150	3,150	281	2,538	2,937	399	13.6%	3,150
Waste Transfer Stations		-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-
Capital Spares		150	150	-	-	250	250	100.0%	150
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-
Other assets	1,432	1,300	1,325	-	12	23	11	48.4%	1,325
Operational Buildings	1,432	1,300	1,325	-	12	23	11	48.4%	1,325
Municipal Offices	1,432	1,300	1,325	-	12	23	11	48.4%	1,325
Pay/Enquiry Points		-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-
Intangible Assets	82	100	100	5	34	86	52	60.6%	100
Servitudes		-	-	-	-	-	-	-	-
Licences and Rights	82	100	100	5	34	86	52	60.6%	100
Water Rights		-	-	-	-	-	-	-	-
Computer Software and Applications	82	100	100	5	34	86	52	60.6%	100
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	2,405	1,711	2,118	-	3	7	4	56.6%	2,118
Machinery and Equipment	2,405	1,711	2,118	-	3	7	4	56.6%	2,118
Transport Assets	1,800	1,500	1,300	-	1,177	1,169	(7)	-0.6%	1,300
Transport Assets	1,800	1,500	1,300	-	1,177	1,169	(7)	-0.6%	1,300
Total Repairs and Maintenance Expenditure	10,353	11,311	12,693	432	8,598	11,849	3,251	27.4%	12,693

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

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure	34,968	45,835	45,835	-	-	-	-	-	45,835
Roads Infrastructure	34,480	25,298	25,298	-	-	-	-	-	25,298
Roads	34,480	25,298	25,298	-	-	-	-	-	25,298
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	5,746	5,746	-	-	-	-	-	5,746
Storm water Conveyance	-	5,746	5,746	-	-	-	-	-	5,746
Electrical Infrastructure	-	12,398	12,398	-	-	-	-	-	12,398
Power Plants	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	-	12,398	12,398	-	-	-	-	-	12,398
MV Substations	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	488	2,392	2,392	-	-	-	-	-	2,392
Landfill Sites	488	2,392	2,392	-	-	-	-	-	2,392
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Waste Drop-off Points	-	-	-	-	-	-	-	-	-
Community Assets	2,129	2,231	2,231	-	-	-	-	-	2,231
Community Facilities	2,129	2,231	2,231	-	-	-	-	-	2,231
Halls	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	2,129	2,231	2,231	-	-	-	-	-	2,231
Other assets	2,978	120	120	-	-	-	-	-	120
Operational Buildings	2,978	120	120	-	-	-	-	-	120
Municipal Offices	2,978	120	120	-	-	-	-	-	120
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Intangible Assets	205	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	205	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	205	-	-	-	-	-	-	-	-
Computer Equipment	953	21	21	-	-	-	-	-	21
Computer Equipment	953	21	21	-	-	-	-	-	21
Furniture and Office Equipment	1,518	26	26	-	-	-	-	-	26
Machinery and Equipment	1,323	2,080	2,080	-	-	-	-	-	2,080
Machinery and Equipment	1,323	2,080	2,080	-	-	-	-	-	2,080
Transport Assets	3,924	888	888	-	-	-	-	-	888
Transport Assets	3,924	888	888	-	-	-	-	-	888
Total Depreciation	47,998	51,200	51,200	-	-	-	-	-	51,200

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

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure	-	-	-	-	-	-	-	-	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
Power Plants	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Waste Drop-off Points	-	-	-	-	-	-	-	-	-
Waste Separation Facilities	-	-	-	-	-	-	-	-	-
Community Assets	-	-	8,079	1,499	8,304	8,079	(225)	(0)	8,079
Community Facilities	-	-	-	-	-	-	-	-	-
Halls	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	8,079	1,499	8,304	8,079	(225)	(0)	8,079
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	8,079	1,499	8,304	8,079	(225)	(0)	8,079
Capital Spares	-	-	-	-	-	-	-	-	-
Other assets	-	3,947	1,437	-	105	1,437	1,332	0	1,437
Operational Buildings	-	3,947	1,437	-	105	1,437	1,332	0	1,437
Municipal Offices	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	3,947	1,437	-	105	1,437	1,332	0	1,437
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	-	3,947	9,515	1,499	8,409	9,515	1,107	0	9,515

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 R47, 860 million and the year to date budget is R49, 639 million which reflects under spending variance of R1, 779 million that translates to 4% variance. The year to date actuals on renewal of existing assets amounts R40, 281 million and with the year to date budget of R40, 298 million and this reflects under spending variance of R17 thousand that translates to 0% variance. The year to date actual expenditure on repairs and maintenance is R8, 598 million and the year to date budget is R11, 849 million, reflecting under spending variance of R3, 251 million that translates to 27%.


The year to date actual expenditure on upgrading of existing assets is R8, 409 million and the year to date budget is R9, 515 million, reflecting under spending variance of R1, 107 million that translates to 23%.

The depreciation and asset impairment will only have actuals once the integration between Asset management system and core financial system is done and this is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is not complying with some of mSCOA requirements.

Quality certificate

I, **RAMAKGAHLELA MINAH MAREDI**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of May 2018 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature  **Elias Motsoaledi Local Municipality**

Date 22/6/2018 **22 JUN 2018**

Municipal Manager