

ELIAS MOTSOALEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

NOVEMBER 2017

PART 1: IN - YEAR REPORT

PURPOSE

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

EXECUTIVE SUMMARY

Section 71 of the Municipal Finance Management Act deals with requirements for in-year reporting and further state that the Accounting Officer of the Municipality must by no later than 10 working days after end of each month submit to the Mayor and relevant Provincial Treasury, the monthly budget statement in the prescribed format on the state of the municipality's financial results.

IN YEAR BUDGET STATEMENT TABLES

Table C1 – Budget Statement Summary

Description	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	27 963	26 472	–	2 533	15 998	11 030	4 969	45%	26 472
Service charges	77 251	89 822	–	7 457	36 215	29 599	6 616	22%	89 822
Investment revenue	2 703	3 701	–	39	874	1 512	(638)	-42%	3 701
Transfers and subsidies	214 632	226 163	–	37	92 342	168 805	(76 463)	-45%	226 163
Other own revenue	65 583	45 865	–	1 871	14 868	18 738	(3 870)	-21%	45 865
Total Revenue excluding capital transfers	388 132	392 023	–	11 937	160 297	229 684	(69 387)	-30%	392 023
Employee costs	116 681	123 460	–	9 411	56 023	48 463	7 560	16%	123 460
Remuneration of Councilors	20 404	22 113	–	1 694	8 471	9 214	(742)	-8%	22 113
Depreciation & asset impairment	46 416	51 200	–	–	–	19 755	(19 755)	-100%	51 200
Finance charges	1 426	3 124	–	44	291	993	(702)	-71%	3 124
Materials and bulk purchases	73 257	82 662	–	6 812	30 230	31 818	(1 587)	-5%	82 662
Transfers and subsidies	521	3 724	–	979	4 903	1 552	3 352	216%	3 724
Other expenditure	181 606	100 105	–	9 608	53 109	33 898	19 210	57%	100 105
Total Expenditure	440 313	386 388	–	28 548	163 027	145 692	7 335	5%	386 388
Surplus/(Deficit)	(52 181)	5 635	–	(16 612)	7 270	83 992	(76 722)	-91%	5 635
Transfers and subsidies - capital	68 895	70 860	–	10 376	44 543	27 830	16 713	60%	70 860
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contrib	16 714	76 495	–	(6 235)	51 813	111 822	(60 009)	-54%	76 495
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	16 714	76 495	–	(6 235)	51 813	111 822	(60 009)	-54%	76 495
Capital expenditure & funds sources									
Capital expenditure	80 799	77 302	–	9 287	31 148	31 114	34	0%	77 302
Capital transfers recognised	68 874	62 158	–	9 516	30 178	24 412	5 766	24%	62 158
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	11 925	15 144	–	(229)	970	6 702	(5 731)	-86%	15 144
Total sources of capital funds	80 799	77 302	–	9 287	31 148	31 114	34	0%	77 302
Financial position									
Total current assets	84 878	107 614	–	–	68 699	–	–	–	107 614
Total non current assets	1 022 382	1 066 797	–	–	1 060 422	–	–	–	1 066 797
Total current liabilities	87 782	60 491	–	–	66 879	–	–	–	60 491
Total non current liabilities	91 981	98 733	–	–	92 012	–	–	–	98 733
Community wealth/Equity	927 497	1 015 187	–	–	970 231	–	–	–	1 015 187
Cash flows									
Net cash from (used) operating	99 278	93 102	–	(15 512)	12 152	39 563	27 411	69%	93 102
Net cash from (used) investing	(80 359)	(77 302)	–	(1 742)	(29 399)	(31 114)	(1 715)	6%	(77 302)
Net cash from (used) financing	(9 575)	(8 497)	–	(465)	(2 170)	(3 458)	(1 288)	37%	(8 497)
Cash/cash equivalents at the month/year end	20 913	32 968	–	–	1 496	30 655	29 159	95%	28 217
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dya	151-180 Dya	181 Dya-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	10 020	3 295	2 279	3 504	1 386	949	5 859	23 453	50 746
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 November is R160, 297 million and the year to date budget of R229, 684 million and this reflects a negative variance of R69, 387 million that can be attributed to property rates, service charges electricity and refuse removal that have positive variance of material figure. The following are the secondary revenue item categories reflecting a negative and positive material variance:

- Interest earned - external investments: 42% unfavorable variance,
- Interest earned – outstanding Debtors 88% favorable variance,
- Rental on Facilities and Equipment: 42% unfavorable variance,
- Transfer and Subsidies: 45% unfavorable variance
- License and Permits: 7% unfavorable variance
- Fines: 71% unfavorable variance
- Other revenue: 242% favorable variance

Operating Expenditure

The year to date operational expenditure as at end of November amounts to R153, 027 million and the year to date budget is R145, 692 million. This reflects a favorable variance of R7, 335 million that translates to 5% overspending variance. The variance is attributed to non-incorporation of depreciation amount and over spending on contracted services. 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:

- Employee related cost: 16% over performance variance
- Other materials: 31% under performance variance
- Contracted Services: 144% over performance variance
- Other Expenditure: 10% over performance variance
- Finance Charges: 71% under performance variance
- Transfers and subsidies: 216% over performance variance

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

Capital Expenditure

The year to date actual capital expenditure as at end of November amounts to R31, 148 million and the year to date budget amounts to R31, 144 million and this gives rise to 34 thousand over performance variance.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the November is R51, 813 million that is mainly attributed to receipt of unconditional grant - equitable share and over performance on MIG in the reporting period.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of November amounts to R50, 746 million and this shows an increase of R3, 058 million as compared to R47, 688 million as at end of 2016/17 financial year.

Consumer debtors is made up of service charges and property rates that amount to R38, 386 million and other debtors amounting to R12, 359 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	238 946	170 084	-	3 225	103 956	115 619	(11 662)	-10%	170 084
Executive and council	-	35 581	-	-	21 084	26 686	(5 601)	-21%	35 581
Finance and administration	238 946	128 101	-	3 225	76 470	84 131	(7 661)	-9%	128 101
Internal audit	-	6 402	-	-	6 402	4 802	1 601	33%	6 402
Community and public safety	12 713	12 846	-	5	11 079	9 619	1 460	15%	12 846
Community and social services	45	6 377	-	5	5 975	4 767	1 208	25%	6 377
Sport and recreation	12 668	6 469	-	-	5 104	4 851	253	5%	6 469
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	115 298	150 237	-	8 319	44 381	78 679	(34 298)	-44%	150 237
Planning and development	1 635	13 512	-	(12)	2 807	9 406	(6 599)	-70%	13 512
Road transport	113 662	135 883	-	8 331	41 575	68 641	(27 067)	-39%	135 883
Environmental protection	-	842	-	-	-	632	(632)	-100%	842
Trading services	90 069	129 716	-	10 764	45 424	53 598	(8 174)	-15%	129 716
Energy sources	83 563	106 984	-	10 135	40 603	39 500	1 103	3%	106 984
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	6 506	22 732	-	628	4 821	14 098	(9 278)	-66%	22 732
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	457 027	462 883	-	22 313	204 840	257 514	(52 674)	-20%	462 883
Expenditure - Functional									
Governance and administration	229 690	147 263	-	13 819	80 233	60 873	19 360	32%	147 263
Executive and council	33 282	35 981	-	3 536	16 029	14 593	1 436	10%	35 981
Finance and administration	190 075	104 880	-	9 239	61 205	43 739	17 466	40%	104 880
Internal audit	6 333	6 402	-	1 044	2 998	2 541	457	18%	6 402
Community and public safety	11 796	15 633	-	704	4 679	6 236	(1 557)	-25%	15 633
Community and social services	4 419	6 541	-	330	2 132	2 583	(452)	-17%	6 541
Sport and recreation	7 378	9 092	-	374	2 547	3 652	(1 105)	-30%	9 092
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	93 269	117 737	-	4 963	25 428	41 428	(16 000)	-39%	117 737
Planning and development	13 570	20 850	-	1 075	6 711	8 550	(1 839)	-22%	20 850
Road transport	78 612	96 045	-	3 847	18 474	32 530	(14 056)	-43%	96 045
Environmental protection	1 087	842	-	41	242	347	(105)	-30%	842
Trading services	105 557	105 754	-	9 062	42 688	37 156	5 532	15%	105 754
Energy sources	83 253	86 949	-	6 238	31 950	29 935	2 014	7%	86 949
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	22 304	18 805	-	2 824	10 738	7 220	3 518	49%	18 805
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	440 313	386 388	-	28 548	153 027	145 692	7 335	5%	386 388
Surplus/ (Deficit) for the year	16 714	76 495	-	(6 235)	51 813	111 822	(60 009)	-54%	76 495

Table C3 – Fin' 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	-	-	21 084	23 655	(2 571)	-11%	31 540
Vote 2 - Municipal Manager	-	15 805	-	-	10 675	11 853	(1 178)	-10%	15 805
Vote 3 - Budget & Treasury	238 934	70 368	-	3 214	34 121	40 837	(6 716)	-16%	70 368
Vote 4 - Corporate Services	12	33 797	-	11	19 501	25 342	(5 841)	-23%	33 797
Vote 5 - Community Services	74 839	89 322	-	1 591	21 304	51 601	(30 297)	-59%	89 322
Vote 6 - Technical Services	141 606	200 885	-	17 509	84 776	89 079	(4 303)	-5%	200 885
Vote 7 - Developmental Planning	1 635	8 435	-	(12)	648	5 598	(4 951)	-88%	8 435
Vote 8 - Executive Support	-	12 731	-	-	12 731	9 549	3 183	33%	12 731
Total Revenue by Vote	457 027	462 883	-	22 313	204 840	257 514	(52 674)	-20%	462 883
Expenditure by Vote									
Vote 1 - Executive & Council	29 665	31 940	-	3 251	14 501	12 990	1 511	12%	31 940
Vote 2 - Municipal Manager	23 365	15 826	-	2 935	10 317	6 511	3 806	58%	15 826
Vote 3 - Budget & Treasury	109 200	39 702	-	2 612	32 141	16 917	15 224	90%	39 702
Vote 4 - Corporate Services	38 771	39 326	-	2 825	13 560	14 993	(1 432)	-10%	39 326
Vote 5 - Community Services	50 474	71 741	-	5 029	23 834	21 465	2 369	11%	71 741
Vote 6 - Technical Services	164 382	165 483	-	10 319	48 165	63 180	(15 015)	-24%	165 483
Vote 7 - Developmental Planning	7 574	9 604	-	541	3 761	4 037	(276)	-7%	9 604
Vote 8 - Executive Support	16 881	12 767	-	1 035	6 748	5 599	1 149	21%	12 767
Total Expenditure by Vote	440 313	386 388	-	28 548	153 027	145 692	7 335	5%	386 388
Surplus/ (Deficit) for the year	16 714	76 495	-	(6 235)	51 813	111 822	(60 009)	-54%	76 495

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	27 963	26 472		2 533	15 998	11 030	4 969	45%	26 472
Service charges - electricity revenue	70 745	81 206		6 829	31 394	26 009	5 385	21%	81 206
Service charges - water revenue	-	-		-	-	-	-		-
Service charges - sanitation revenue	-	-		-	-	-	-		-
Service charges - refuse revenue	6 506	8 616		628	4 821	3 590	1 231	34%	8 616
Service charges - other	-	-		-	-	-	-		-
Rental of facilities and equipment	1 319	1 935		255	435	806	(371)	-46%	1 935
Interest earned - external investments	2 703	3 701		39	874	1 512	(638)	-42%	3 701
Interest earned - outstanding debtors	6 469	6 260		526	5 596	2 975	2 621	88%	6 260
Dividends received	-	-		-	-	-	-		-
Fines, penalties and forfeits	50 877	30 000		554	3 397	11 800	(8 403)	-71%	30 000
Licences and permits	4 743	5 171		404	2 008	2 154	(147)	-7%	5 171
Agency services	-	-		-	-	-	-		-
Transfers and subsidies	214 632	226 163		37	92 342	168 805	(76 463)	-45%	226 163
Other revenue	2 175	2 499		132	3 432	1 002	2 430	242%	2 499
Gains on disposal of PPE	-	-		-	-	-	-		-
Total Revenue excluding capital transfers	388 132	392 023	-	11 937	160 297	229 684	(69 387)	-30.21%	392 023
Expenditure By Type									
Employee related costs	116 681	123 460		9 411	56 023	48 463	7 560	16%	123 460
Remuneration of councillors	20 404	22 113		1 694	8 471	9 214	(742)	-8%	22 113
Debt impairment	53 215	26 372		-	-	-	-		26 372
Depreciation & asset impairment	46 416	51 200		-	-	19 755	(19 755)	-100%	51 200
Finance charges	1 426	3 124		44	291	993	(702)	-71%	3 124
Bulk purchases	60 384	69 165		4 839	24 832	24 040	792	3%	69 165
Other materials	12 873	13 497		1 973	5 398	7 778	(2 379)	-31%	13 497
Contracted services	43 080	25 350		4 829	28 936	11 874	17 061	144%	25 350
Transfers and subsidies	521	3 724		979	4 903	1 552	3 352	216%	3 724
Other expenditure	81 945	48 384		4 779	24 173	22 024	2 149	10%	48 384
Loss on disposal of PPE	3 367	-		-	-	-	-		-
Total Expenditure	440 313	386 388	-	28 548	153 027	145 692	7 335	5%	386 388
Surplus/(Deficit)	(52 181)	5 635	-	(16 612)	7 270	83 992	(76 722)	-91%	5 635
Transfers and subsidies - capital	68 895	70 860		10 376	44 543	27 830	16 713	60%	70 860
Transfers and subsidies - capital	-	-		-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)	-	-		-	-	-	-		-
Surplus/(Deficit) after capital transfers	16 714	76 495	-	(6 235)	51 813	111 822			76 495
Taxation	-	-		-	-	-	-		-
Surplus/(Deficit) after taxation	16 714	76 495	-	(6 235)	51 813	111 822			76 495
Attributable to minorities	-	-		-	-	-	-		-
Surplus/(Deficit) attributable to municipality	16 714	76 495	-	(6 235)	51 813	111 822			76 495
Share of surplus/ (deficit) of associate	-	-		-	-	-	-		-
Surplus/(Deficit) for the year	16 714	76 495	-	(6 235)	51 813	111 822			76 495

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections are on property services, service charges refuse removal, fines, and interest earned – external investments, outstanding debtors and other revenue. In the case of expenditure the following line items reflect material variance; Finance charges, contracted services, other material, transfer and subsidies, employee related cost 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.

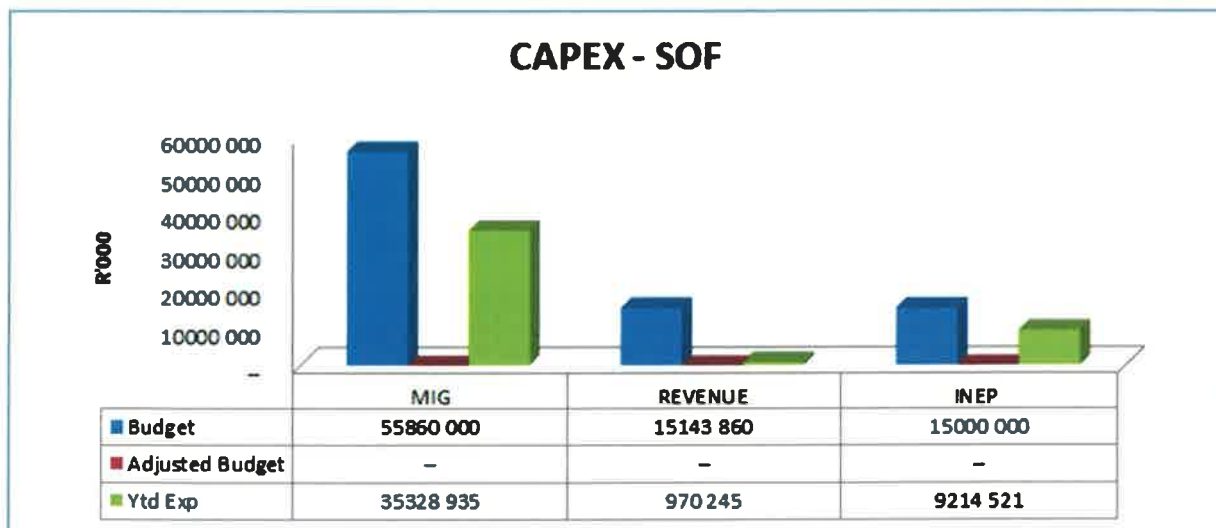
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

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	-	-	378	150	228	152%	500
Executive and council	-	-					-		-
Finance and administration	2 091	500		-	378	150	228	152%	500
Internal audit	-	-					-		-
Community and public safety	181	700	-	-	-	550	(550)	-100%	700
Community and social services	28	-					-		-
Sport and recreation	-	700				550	(550)	-100%	700
Public safety	153	-					-		-
Housing	-	-					-		-
Health	-	-					-		-
Economic and environmental services	67 376	62 944	-	8 618	27 410	25 294	2 116	8%	62 944
Planning and development	-	-					-		-
Road transport	67 376	62 944		8 618	27 410	25 294	2 116	8%	62 944
Environmental protection	-	-					-		-
Trading services	11 151	13 158	-	669	3 360	5 120	(1 760)	-34%	13 158
Energy sources	11 151	13 158		669	3 360	5 120	(1 760)	-34%	13 158
Water management	-	-					-		-
Waste water management	-	-					-		-
Waste management	-	-					-		-
Other	-	-					-		-
Total Capital Expenditure - Functional Classification	80 799	77 302	-	9 287	31 148	31 114	34	0%	77 302
Funded by:									
National Government	68 874	62 158		9 516	30 178	24 412	5 766	24%	62 158
Provincial Government							-	0%	
District Municipality							-		
Other transfers and grants							-		
Transfers recognised - capital	68 874	62 158	-	9 516	30 178	24 412	5 766	24%	62 158
Public contributions & donations							-		
Borrowing							-		
Internally generated funds	11 925	15 144		(229)	970	6 702	(5 731)	-86%	15 144
Total Capital Funding	80 799	77 302	-	9 287	31 148	31 114	34	0%	77 302

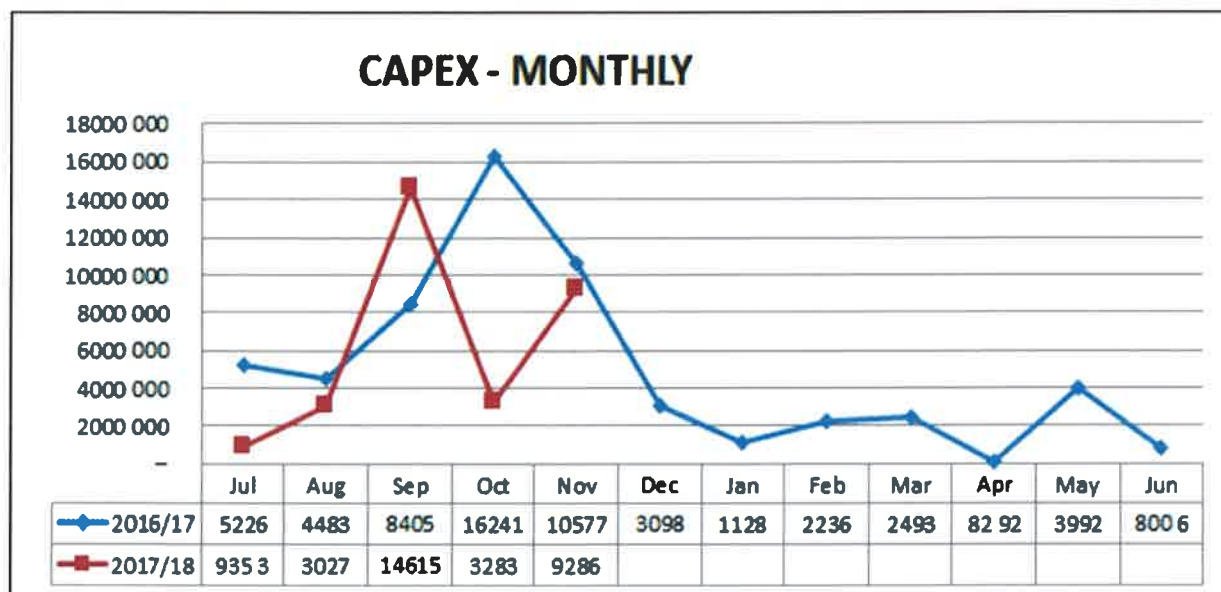
Table C5C: Monthly Capital Expenditure by Vote

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	1 508	500	-	-	378	150	228	152%	500
Vote 5 - Community Services	-	500	-	-	-	250	(250)	-100%	500
Vote 6 - Technical Services	50 994	52 539	-	6 838	23 100	21 890	1 210	6%	52 539
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	52 502	53 539	-	6 838	23 478	22 290	1 188	5%	53 539
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	181	700	-	-	-	550	(550)	-100%	700
Vote 6 - Technical Services	27 534	23 063	-	2 448	7 670	8 274	(604)	-7%	23 063
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	583	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	28 297	23 763	-	2 448	7 670	8 824	(1 154)	-13%	23 763
Total Capital Expenditure	80 799	77 302	-	9 287	31 148	31 114	34	0%	77 302

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 November 2017, R9, 287 million spending was incurred and that increased the year to date expenditure to R31, 148 million whilst the year to date budget is R31, 114 million and this gave rise to over spending variance of R 34 thousand that translates to 0.1%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R86, 004 million, R55, 860 million is funded from Municipal Infrastructure grant, R15, 000 million from INEP and R 15, 144 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 for first quarter and significant decline and the beginning of the second quarter then uphill at 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		1 496	4 400
Call investment deposits	15 626	28 568		-	28 568
Consumer debtors	19 030	34 600		31 734	34 600
Other debtors	41 743	36 846		30 779	36 846
Current portion of long-term receivables	-	-		-	-
Inventory	3 193	3 200		4 691	3 200
Total current assets	84 878	107 614	-	68 699	107 614
Non current assets					
Long-term receivables	-	-		-	-
Investments	-	-		-	-
Investment property	96 285	96 146		96 703	96 146
Investments in Associate	-	-		-	-
Property, plant and equipment	913 874	957 866		951 497	957 866
Agricultural	-	-		-	-
Biological assets	-	-		-	-
Intangible assets	291	-		291	-
Other non-current assets	11 932	12 786		11 932	12 786
Total non current assets	1 022 382	1 066 797	-	1 060 422	1 066 797
TOTAL ASSETS	1 107 261	1 174 411	-	1 129 122	1 174 411
LIABILITIES					
Current liabilities					
Bank overdraft	-	-		-	-
Borrowing	6 900	8 608		6 512	8 608
Consumer deposits	5 141	5 089		5 010	5 089
Trade and other payables	72 468	45 253		50 717	45 253
Provisions	3 274	1 542		4 640	1 542
Total current liabilities	87 782	60 491	-	66 879	60 491
Non current liabilities					
Borrowing	-	16 500		4 400	16 500
Provisions	91 981	82 233		87 612	82 233
Total non current liabilities	91 981	98 733	-	92 012	98 733
TOTAL LIABILITIES	179 763	159 224	-	158 891	159 224
NET ASSETS	927 497	1 015 187	-	970 231	1 015 187
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	927 497	1 015 187		970 231	1 015 187
Reserves	-	-		-	-
TOTAL COMMUNITY WEALTH/EQUITY	927 497	1 015 187	-	970 231	1 015 187

The above table shows that community wealth amounts to R970, 231 million, total liabilities R158, 891 million and the total assets R1, 133 billion. Non-current liabilities is mainly made up of provisions for long service award, landfill site and bonus, and borrowing that is exclusively finance lease for yellow fleet.

Included in the trade and other payables is unspent conditional grants amounting to R11, 099 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	19 328	21 177		1 913	7 818	8 824	(1 006)	-11%	21 177
Service charges	62 251	83 078		5 672	27 837	26 655	1 183	4%	83 078
Other revenue	18 040	13 516		4 716	8 402	5 516	2 886	52%	13 516
Government - operating	213 105	226 163		649	95 636	94 985	650	1%	226 163
Government - capital	85 419	70 860		-	33 330	29 444	3 886	13%	70 860
Interest	10 410	5 579		86	791	2 621	(1 829)	-70%	5 579
Dividends	-	-					-		-
Payments									
Suppliers and employees	(307 328)	(320 424)		(27 525)	(156 406)	(125 937)	30 469	-24%	(320 424)
Finance charges	(1 426)	(3 124)		(44)	(291)	(993)	(702)	71%	(3 124)
Transfers and Grants	(521)	(3 724)		(979)	(4 965)	(1 552)	3 413	-220%	(3 724)
NET CASH FROM/(USED) OPERATING ACTIVITIES	99 278	93 102	-	(15 512)	12 152	39 563	27 411	69%	93 102
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	440	-					-		-
Decrease (Increase) in non-current debtors		-					-		-
Decrease (increase) other non-current receivables		-					-		-
Decrease (increase) in non-current investments		-					-		-
Payments									
Capital assets	(80 799)	(77 302)		(1 742)	(29 399)	(31 114)	(1 715)	6%	(77 302)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(80 359)	(77 302)	-	(1 742)	(29 399)	(31 114)	(1 715)	6%	(77 302)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		-					-		-
Borrowing long term/refinancing		-					-		-
Increase (decrease) in consumer deposits	21	111		(131)	532	72	460	639%	111
Payments									
Repayment of borrowing	(9 596)	(8 608)		(334)	(2 702)	(3 530)	(828)	23%	(8 608)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(9 575)	(8 497)	-	(465)	(2 170)	(3 458)	(1 288)	37%	(8 497)
NET INCREASE/ (DECREASE) IN CASH HELD	9 343	7 304	-	(17 719)	(19 417)	4 991			7 304
Cash/cash equivalents at beginning:	11 570	25 664			20 913	25 664			20 913
Cash/cash equivalents at month/year end:	20 913	32 968			1 496	30 655			28 217

Table C7 presents details pertaining to cash flow performance. As at end of November 2017, the net cash inflow from operating activities is R12, 152 million whilst net cash outflow from investing activities is R29, 399 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R2, 170 million. The cash and cash equivalent held at end of November 2017 amounted to R1, 496 million and the net effect of the above cash flows is cash outflow movement of R19, 417 million. The cash and cash equivalent at end of the reporting period of R 1, 496 million is made up of cash amounting to R1, 496 million as presented in Table A6 under current assets.

PART 2: SUPPORTING TABLES

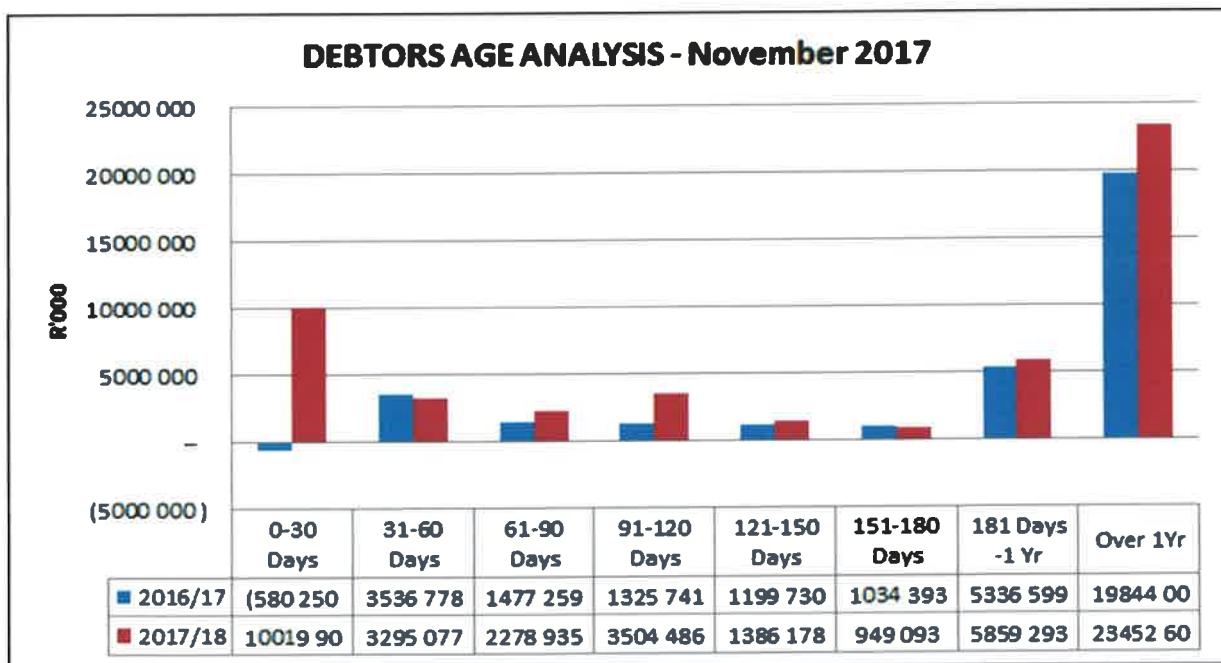
Supporting Table: SC 3 - Debtors Age Analysis

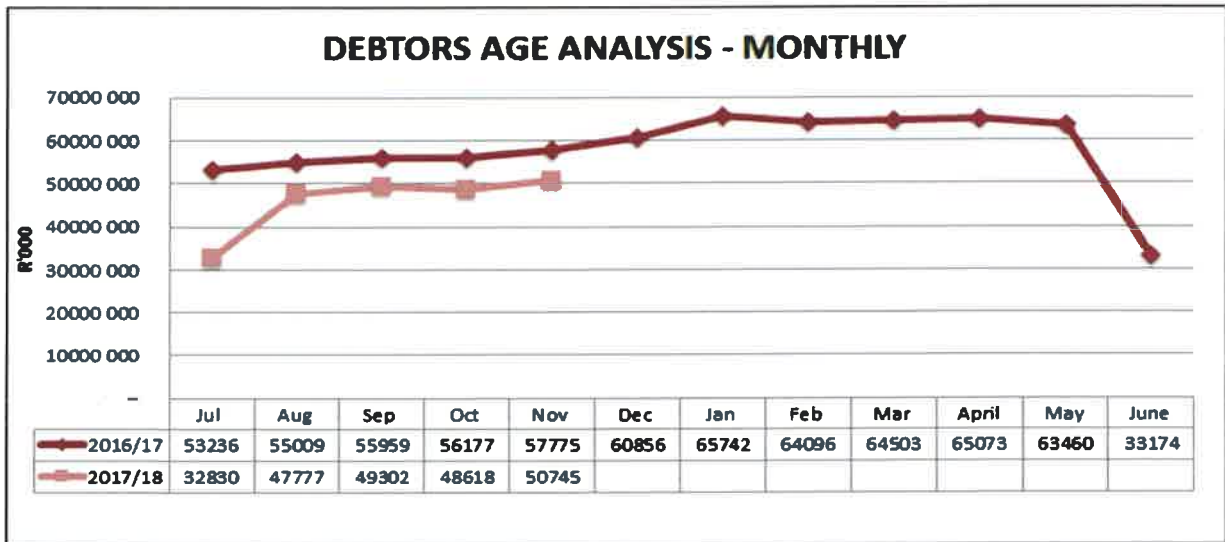
Description	Budget Year 2017/18										Total over 90 days	Bad Debts Written Off	Impairment - Bad Debts		
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dye-1 Yr	Over 1Yr	Total	Total					
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water															
Trade and Other Receivables from Exchange Transactions - Electricity	5 822 343	1 323 960	467 437	259 404	189 452	102 125	1 156 762	2 083 138	11 384 623	3 770 882					
Receivables from Non-exchange Transactions - Property Rates	2 499 452	1 133 163	977 667	1 280 542	565 663	515 940	2 474 227	13 091 759	22 538 415	17 928 132					
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-					
Receivables from Exchange Transactions - Waste Management	628 487	411 851	363 171	783 615	212 644	199 088	324 566	1 539 560	4 462 882	3 059 472					
Receivables from Exchange Transactions - Property Rental Debtors	105 151	7 541	1 451	2 194	58 038	1 080	237 661	816 736	1 227 852	1 113 709					
Interest on Arrear Debtor Accounts	526 705	504 609	473 340	939 444	408 492	353 368	2 087 741	7 862 781	13 156 480	11 651 827					
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-					
Other	437 762	86 048	4 132	239 286	28 110	222 508	421 664	1 941 370	2 024 785	2 372 367					
Total By Income Source	10 019 901	3 295 077	2 278 935	3 504 486	1 386 178	949 093	5 859 293	23 452 605	50 745 568	35 151 655					
2016/17 - totals only	580 250	3 536 778	1 477 259	1 325 741	1 199 730	1 034 393	5 336 599	19 844 003	33 174 251	28 740 464					
Debtors Age Analysis By Customer Group															
Organs of State	894 015	148 118	188 992	156 809	58 801	6 834	488 378	1 613 377	3 525 323	2 304 199					
Commercial	5 255 589	1 373 611	566 332	494 927	332 452	189 746	978 299	3 727 226	12 918 181	5 722 650					
Households	3 115 216	1 151 370	958 876	2 232 335	443 487	323 153	1 256 324	6 593 196	16 073 958	10 848 496					
Other	765 082	621 977	564 736	620 415	551 438	429 360	3 156 292	11 518 806	18 228 106	16 276 311					
Total By Customer Group	10 019 901	3 295 077	2 278 935	3 504 486	1 386 178	949 093	5 859 293	23 452 605	50 745 568	35 151 655					

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of NOVEMBER amount to R50, 745 million. The debtors' book is made up as follows:

- Rates 44%
- Electricity 22%
- Rental 2%
- Refuse removal 9%
- Interest on Debtors 26%
- Other -4%

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 November 2017) 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 for the first quarter and slight downhill for October and increased for November.

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

TOP TWENTY DEBTORS

ACCOUNT	ACCOUNT HOLDER NAME	BALANCE	HAND OVER
1501364	JAN JOUBERT TR (JO JO TANKS)	930 564	N
9012345	BREED J & OOSTHUIZEN J F	903 496	N
214913	MEAT SPOT	476 801	N
200106	ANABEL AND T INVESTMENTS (WALTLOO MEAT & CHICKEN)	469 305	N
9900028	ELIAS MOTSOLEDI (OFFICE)	379 189	Y
9000000	REPUBLIEK VAN SUID-AFRIKA	365 513	Y
9001077	ROYAL SQUARE INV 361 CC	319 923	Y
201885	SHOPRITE CHECKERS (PTY) LTD	280 682	N
9000804	NATIONAL GOVERNMENT REPUBLIC OF SOUTH AFRICA	272 832	Y
9005301	TWIN CITY TRADING (PTY) LTD	213 473	N
1200305	BUNGELA LAMOLA BOTTLE STORE	177 882	N
5001708	UNITRADE 518 (PTY) LTD	171 073	Y
9002958	PROVINCIAL GOVERNMENT OF LIMPO	167 895	N
211693	BOXER SUPERSTORE'ATT KERSHNEE	167 611	N
9000802		151 483	Y
9002065	GOVERNMENT OF KWANDEBELE	145 133	N
9002067	NATIONAL GOVERNMENT OF THE REP	142 311	N
2913	SHOPRITE/CHECKERS	141 402	Y
9001763	TSHEHLA TRUST MAMAILE GEORGE	140 453	N
5002109	VAN AARD F J (MAPOCH HOTEL)	137 124	Y
TOTAL		6 154 146	

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 TWENTY CREDITORS PAID

CODE	CREDITOR NAME	AMOUNT
429	NJ NKOSANA BUSINESS ENTERPRISE	1 911 391
37678	SHATADI DEVELOPERS	1 403 250
41045	MASEKWAMENG TRADERS CC	1 369 891
80599	MOEPENG TRADING 40	1 032 414
40082	CEBINTO PLANT HIRE CC	619 665
80563	KF PHETLA PROJECTS	326 602
80596	MABOFA TRADING SERVICES	269 400
40063	TLOU INTERGATED TECH	223 178
41027	KDM TRAVEL EXPRESS	213 475
80552	MOHLAKA MEDIA SOLUTIONS	177 058
37644	SANKIE SUPPLY AND CONSTRUCTION	171 720
41049	SKY HIGH CONSULTING ENGINEERS	167 913
41047	ONBOARD CONSULTING ENGINEERS	148 565
35403	BONGILEMASHUMI C C	148 500
35516	MAHLOME TRADING ENTERPRISE	38 640
80432	DUMITRI HOLDING PTY LTD	29 700
41065	BAFISABOKE TRADING	24 000
TOTAL		8 275 362

The above table presents the top twenty creditors paid during the month of November 2017 and an amount of R8, 275 million was paid to these creditors during the reporting period.

Supporting Table: SC 5 - Investment Portfolio

Investments by ID	Period	Type of Investment	Expiry date	Accrued interest	Percentage Interest	MV - Opening	Change in MV	MV - Closing
Municipality NEDBANK	2017/09/07	Short term	2017/11/06	12	7.5%	10 113	(10 125)	-
TOTAL INVESTMENTS AND INTEREST				12		10 113	(10 125)	-

Supporting table SC5 presents all investments, and it indicate that municipality had no investment at end of November 2017. The opening balance was R10, 113 million, and an amount of R10, 125 million was withdrawn in the reporting period. Accrued interest for the month amounted to R12 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

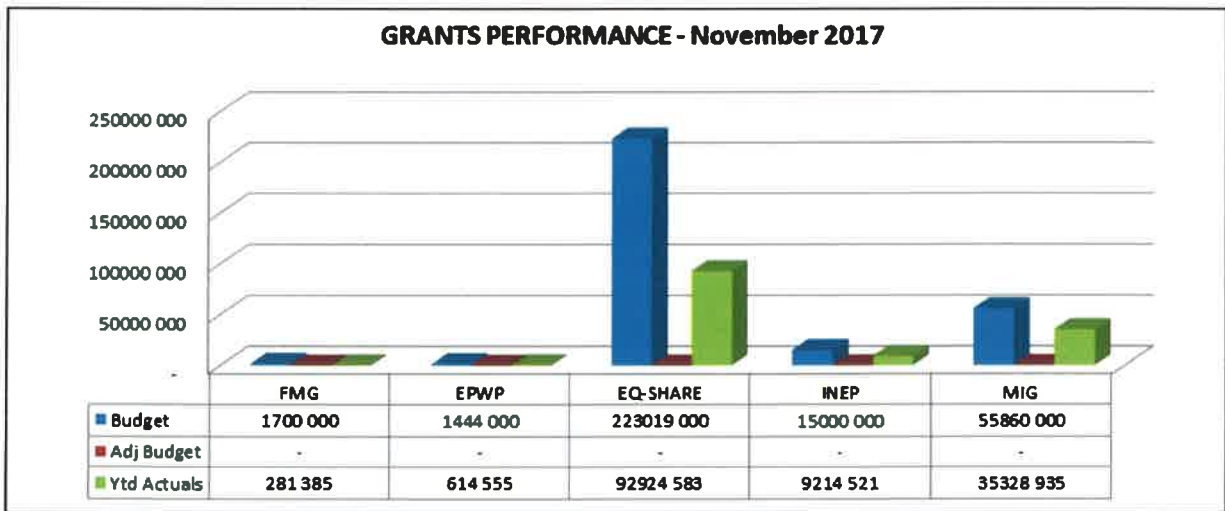
Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	213 105	226 163	-	649	95 636	95 636	-		226 163
Local Government Equitable Share	210 385	223 019	-	-	92 926	92 926	-		223 019
Finance Management	1 625	1 700	-	-	1 700	1 700			1 700
EPWP Incentive	1 095	1 444	-	649	1 010	1 010			1 444
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	213 105	226 163	-	649	95 636	95 636	-		226 163
Capital Transfers and Grants									
National Government:	85 419	70 860	-	-	33 330	33 330	-		70 860
Municipal Infrastructure Grant (MIG)	72 419	55 860	-	-	23 330	23 330	-		55 860
Intergrated National Electrification Grant	13 000	15 000	-	-	10 000	10 000	-		15 000
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	85 419	70 860	-	-	33 330	33 330	-		70 860
TOTAL RECEIPTS OF TRANSFERS & GRANTS	298 524	297 023	-	649	128 966	128 966	-		297 023

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R128, 966 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 in line with National Treasury payment schedule.

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	-	18 795	93 821	94 292	(471)	0%	226 163
Local Government Equitable Share	211 912	223 019		18 585	92 925	92 925	-		223 019
Finance Management	1 625	1 700		76	281	627	(345)	-55%	1 700
EPWP Incentive	1 095	1 444		134	615	741	(126)	-17%	1 444
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-		-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-		-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-		-	-	-	-		-
Total operating expenditure of Transfers and Grants:	214 632	226 163	-	18 795	93 821	94 292	(471)	0%	226 163
Capital expenditure of Transfers and Grants									
National Government:	68 874	70 860	-	10 376	44 543	25 994	18 550	71%	70 860
Municipal Infrastructure Grant (MIG)	56 064	55 860		7 070	35 329	19 292	16 037	83%	55 860
Intergrated National Electrification Grant	12 811	15 000		3 307	9 215	6 702	2 513	37%	15 000
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-		-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-		-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-		-	-	-	-		-
Total capital expenditure of Transfers and Grants	68 874	70 860	-	10 376	44 543	25 994	18 550	71%	70 860
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	283 507	297 023	-	29 171	138 364	120 286	18 078	15%	297 023

An amount of R29, 171 million has been spent on grants during the month of November 2017 and the year to date actuals is R138, 364 million whilst the year to date budget amounts to R 120, 286 million and this results in overspending variance of R18, 078 that translates to 15%. Of the total spending amounting to R138, 364 million, R93, 821 million is spent on operational grants whilst R44, 543 million is spent of capital grants.



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

- Financial Management Grant 16, 55%
- Expanded Public Work Programme 42,56%
- Equitable Share 41 ,67%
- Municipal Infrastructure Grant 63, 25%
- Integrated National Electrification Grant 61, 25%

Supporting Table: SC8 - Councillor Allowances and Employee Related Costs

Summary of 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		1 001	5 012	6 145	(1 133)	-18%	14 748
Pension and UIF Contributions	1 691	1 670		144	720	696	24	3%	1 670
Medical Aid Contributions	250	285		24	115	119	(4)	-4%	285
Motor Vehicle Allowance	4 672	4 788		390	1 949	1 995	(46)	-2%	4 788
Cellphone Allowance	1 146	612		135	676	255	421	185%	612
Housing Allowances	-	-		-	-	-	-	-	-
Other benefits and allowances	-	9		-	-	4	(4)	-100%	9
Sub Total - Councillors	20 122	22 113	-	1 694	8 471	9 214	(742)	-8%	22 113
% increase		10%							10%
Senior Managers of the Municipality									
Basic Salaries and Wages	5 416	4 745		369	1 934	1 977	(43)	-2%	4 745
Pension and UIF Contributions	317	1 021		24	121	425	(304)	-71%	1 021
Medical Aid Contributions	6	228		7	38	95	(57)	-60%	228
Overtime	-	-		-	-	-	-	-	-
Performance Bonus	-	-		-	-	-	-	-	-
Motor Vehicle Allowance	457	840		62	324	350	(26)	-8%	840
Cellphone Allowance	5	14		4	19	6	13	217%	14
Housing Allowances	-	-		-	-	-	-	-	-
Other benefits and allowances	130	75		3	96	4	92	2145%	75
Payments in lieu of leave	-	-		-	82	85	(3)	-3%	-
Long service awards	-	-		-	-	-	-	-	-
Post-retirement benefit obligations	-	-		-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	6 331	6 923	-	469	2 615	2 943	(328)	-11%	6 923
% increase		9%							9%
Other Municipal Staff									
Basic Salaries and Wages	68 064	78 939		6 156	36 585	32 891	3 694	11%	78 939
Pension and UIF Contributions	13 958	14 523		1 261	7 510	6 051	1 459	24%	14 523
Medical Aid Contributions	4 235	4 340		382	2 188	1 808	380	21%	4 340
Overtime	2 835	1 595		139	1 199	441	757	172%	1 595
Performance Bonus	-	-		-	-	-	-	-	-
Motor Vehicle Allowance	7 995	8 062		732	4 368	3 359	1 009	30%	8 062
Cellphone Allowance	113	636		39	223	265	(42)	-16%	636
Housing Allowances	152	145		14	80	60	20	34%	145
Other benefits and allowances	7 284	7 333		147	619	382	237	62%	7 333
Payments in lieu of leave	-	802		72	322	266	56	21%	802
Long service awards	3 741	162		-	313	84	229	272%	162
Post-retirement benefit obligations	594	-		-	-	-	-	-	-
Sub Total - Other Municipal Staff	108 969	116 537	-	8 942	53 408	45 609	7 799	17%	116 537
% increase		7%							7%
Total Parent Municipality	135 422	145 573	-	11 105	64 494	57 766	6 728	12%	145 573
		7%							7%
TOTAL SALARY, ALLOWANCES & BENEFITS	135 422	145 573	-	11 105	64 494	57 766	6 728	0	145 573
% increase		7%							7%
TOTAL MANAGERS AND STAFF	115 301	123 460	-	9 411	56 023	48 552	7 471	0	123 460

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid as at end of November 2017 amounts to R64, 494 million and the year to date budget is R57, 766 million and the expenditure for remuneration of councillors amounts to R8, 471 million while the year to date budget is R 9, 214 million. The year to date actuals for senior managers is R2, 615 million and the year to date budget thereof is R2, 943 million and the year to date actuals for other municipal staff is R53, 408 million and the year to date budget is R45, 609 million. The remuneration of councillors and senior managers categories have under spending variance while other municipal staff category has over spending variance.

Description	Budget Year 2017/18												2017/18 Medium Term Revenue			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year +1	Budget Year +2	
	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	
Cash Receipts By Source																
Property rates	1 611	755	1 742	1 797	1 913	1 765	1 765	1 765	1 765	1 765	1 765	2 771	21 177	22 384	23 638	
Service charges - electricity revenue	5 992	3 719	4 876	6 380	5 352	6 301	6 884	7 513	8 144	8 271	8 284	7 053	78 770	81 133	83 729	
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse	354	216	288	340	320	410	410	410	410	410	410	331	4 308	4 553	4 808	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	28	15	31	28	19	153	153	153	153	153	153	895	1 935	2 046	2 180	
Interest earned - external investments	154	135	78	63	-	184	178	240	440	300	308	1 698	3 701	3 912	4 132	
Interest earned - outstanding debtors	114	26	78	134	86	159	143	144	106	128	156	603	1 878	1 985	2 096	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	25	2	4	28	4	435	345	353	405	390	413	2 097	4 500	4 757	5 023	
Licences and permits	-	805	-	417	404	431	431	431	431	431	431	889	5 100	5 391	5 693	
Agency services	94 628	361	-	-	649	74 339	-	434	55 756	165	165	(2)	228 163	238 214	247 841	
Transfer receipts - operating	1 369	812	1 324	3 060	8 160	165	165	165	165	165	165	(13 735)	1 981	2 094	2 211	
Other revenue	104 272	6 847	8 343	12 249	16 906	84 343	10 474	11 607	67 775	12 013	12 085	2 600	349 514	366 469	381 331	
Cash Receipts by Source																
Other Cash Flows by Source																
Transfer receipts - capital	28 330	-	-	5 000	-	-	4 615	-	6 201	-	-	26 714	70 880	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)	6	4	20	10	14	12	(487)	111	142	168	
Receipt of non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	132 660	6 852	8 380	17 812	16 776	84 349	16 093	11 627	73 966	12 027	12 097	26 826	420 465	435 624	467 639	
Cash Payments by Type																
Employee related costs	9 543	9 590	9 600	9 680	9 411	16 328	10 029	9 808	9 775	9 705	9 717	10 286	123 460	130 069	137 325	
Remuneration of councillors	1 694	1 694	1 694	1 694	1 694	1 843	1 843	1 843	1 843	1 843	1 843	2 266	21 794	23 036	24 326	
Interest paid	-	74	123	51	44	190	188	186	400	388	395	1 076	3 124	790	645	
Bulk purchases - Electricity	7 038	71	7 159	5 724	4 839	5 513	5 700	5 960	6 012	7 250	7 300	6 608	69 165	69 937	73 853	
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	688	1 642	470	604	1 973	215	1 225	545	1 122	807	1 330	2 876	13 497	14 795	15 623	
Contracted services	6 156	6 036	6 234	4 957	4 829	1 783	1 693	1 838	2 328	2 003	1 858	(14 367)	25 350	23 279	23 118	
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	1 727	742	725	792	979	310	310	310	310	310	310	(3 103)	3 724	3 936	4 156	
General expenses	24 438	4 706	4 063	3 717	4 779	4 120	3 952	3 077	6 480	3 261	2 762	(16 051)	48 703	46 114	47 108	
Cash Payments by Type	61 284	24 544	30 067	27 216	28 648	30 303	24 340	23 567	26 270	25 577	25 515	(10 406)	308 817	311 956	326 154	
Other Cash Flows/Payments by Type																
Capital assets	935	5 145	13 433	10 261	1 742	10 917	6 450	8 552	6 630	4 221	4 180	4 836	77 302	84 306	91 111	
Repayment of borrowing	490	490	678	293	334	706	706	706	706	750	750	1 997	8 608	6 000	6 000	
Other Cash Flows/Payments	-	3 369	3 043	-	-	4 000	1 500	1 000	1 150	1 400	1 000	1 973	18 455	18 576	26 322	
Total Cash Payments by Type	62 710	33 569	47 221	37 773	30 624	32 996	23 996	22 188	37 256	31 948	31 446	(1 601)	413 181	420 837	449 586	
NET INCREASE/(DECREASE) IN CASH HELD	79 960	(26 717)	(38 841)	(19 961)	(13 849)	38 423	(17 921)	(22 188)	37 230	(19 921)	(19 346)	30 428	7 304	14 767	18 283	
Cash/cash equivalents at the month/year beginning:	20 913	100 863	74 147	35 306	15 345	1 496	39 920	22 017	(171)	37 058	17 137	(2 211)	20 913	28 217	43 004	
Cash/cash equivalents at the month/year end:	100 863	74 147	35 306	15 345	1 496	39 920	22 017	(171)	37 058	17 137	(2 211)	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 R16, 906 million and the total cash payment for the month were R30, 624 million and this resulted in net decrease in cash held amounting to R13, 849 million and with cash and cash equivalent of R1, 496 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting to R1, 496 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		935	935	1 624	689	42%	1%
August	4 483	4 590		3 028	3 963	6 214	2 251	36%	5%
September	8 406	7 000		13 273	17 236	13 214	(4 021)	-30%	22%
October	16 242	8 227		3 283	20 519	21 442	923	4%	27%
November	10 577	9 672		9 287	29 806	31 114	1 308	4%	39%
December	3 099	10 917				42 030	-		
January	1 128	6 450				48 480	-		
February	2 237	8 552				57 032	-		
March	2 493	6 630				63 662	-		
April	83	4 221				67 883	-		
May	3 992	4 180				72 063	-		
June	22 833	5 239				77 302	-		
Total Capital expenditure	80 799	77 302	-	29 806					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of November amounts to R9, 287 million. The year to date capital budget is R31, 114 million that give rise to under spending variance of R1, 308 million or 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	-	4 903	12 329	11 904	(425)	-4%	32 281
Roads Infrastructure	21 733	19 123	-	4 234	8 970	6 784	(2 185)	-32%	19 123
Roads	21 733	19 123		4 234	8 970	6 784	(2 185)	-32%	19 123
Capital Spares		-					-		-
Attenuation		-					-		
Electrical Infrastructure	11 151	13 158	-	669	3 360	5 120	1 760	34%	13 158
HV Switching Station		-					-		-
HV Transmission Conductors	11 151	13 158		669	3 360	5 120	1 760	34%	13 158
MV Substations		-					-		-
MV Switching Stations		-					-		-
Capital Spares		-					-		-
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites		-					-		
Waste Transfer Stations		-					-		
Waste Processing Facilities		-					-		
Waste Drop-off Points		-					-		
Waste Separation Facilities		-					-		
Electricity Generation Facilities		-					-		
Capital Spares		-					-		
Community Assets	-	300	-	-	-	150	150	100%	300
Community Facilities	-	300	-	-	-	150	150	100%	300
Testing Stations		-					-		-
Museums		-					-		-
Galleries		-					-		-
Public Open Space	-	300				150	150	100%	300
Taxi Ranks/Bus Terminals		-					-		-
Capital Spares		-					-		-
Capital Spares		-					-		-
Investment properties	-	-	-	-	-	-	-		-
Revenue Generating	-	-	-	-	-	-	-		-
Improved Property		-					-		-
Unimproved Property		-					-		-
Other assets	1 296	-	-	-	-	-	-		-
Operational Buildings	1 296	-	-	-	-	-	-		-
Municipal Offices	583	-					-		
Pay/Enquiry Points		-					-		
Building Plan Offices		-					-		
Workshops	715	-					-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes		-					-		-
Computer Software and Applications		-					-		-
Load Settlement Software Applications		-					-		-
Computer Equipment	1 168	300	-	-	218	50	(168)	-336%	300
Computer Equipment	1 168	300			218	50	(168)	-336%	300
Furniture and Office Equipment	340	200	-	-	160	100	(60)	-60%	200
Furniture and Office Equipment	340	200			160	100	(60)	-60%	200
Machinery and Equipment	2 100	600	-	(295)	116	550	434	79%	600
Machinery and Equipment	2 100	600		(295)	116	550	434	79%	600
Transport Assets	2 253	700	-	-	-	400	400	100%	700
Transport Assets	2 253	700				400	400	100%	700
Total Capital Expenditure on new assets	40 043	34 381	-	4 608	12 824	13 154	331	3%	34 381

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	38 131	38 474	-	4 658	18 209	15 882	(2 327)	-15%	38 474
Roads Infrastructure	38 131	38 474	-	4 658	18 209	15 882	(2 327)	-15%	38 474
Roads	38 131	38 474		4 658	18 209	15 882	(2 327)	-15%	38 474
Road Structures		-					-		-
Electrical Infrastructure	-	-	-	-	-	-	-		-
Power Plants		-					-		
HV Substations		-					-		
HV Switching Station		-					-		
HV Transmission Conductors		-					-		
MV Substations		-					-		
MV Switching Stations		-					-		
MV Networks		-					-		
LV Networks		-					-		
Capital Spares		-					-		
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites		-					-		
Waste Transfer Stations		-					-		
Waste Processing Facilities		-					-		
Waste Drop-off Points		-					-		
Waste Separation Facilities		-					-		
Electricity Generation Facilities		-					-		
Capital Spares		-					-		
Community Assets	1 694	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Halls		-					-		
Centres		-					-		
Crèches		-					-		
Sport and Recreation Facilities	1 694	-	-	-	-	-	-		-
Indoor Facilities		-					-		
Outdoor Facilities	1 694	-					-		
Capital Spares		-					-		
Heritage assets		-	-	-	-	-	-		-
Monuments		-					-		
Other assets	932	500	-	-	-	250	250	100%	500
Operational Buildings	932	500	-	-	-	250	250	100%	500
Municipal Offices		500				250	250	100%	500
Laboratories		-					-		-
Training Centres	932	-					-		-
Manufacturing Plant		-					-		-
Depots		-					-		-
Total Capital Expenditure on renewal of existing assets	40 757	38 974	-	4 658	18 209	16 132	(2 077)	-13%	38 974

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	-	1 345	4 036	4 170	134	3%	6 700
Roads Infrastructure	946	2 500	-	549	2 173	1 790	(383)	-21%	2 500
Roads	946	2 500		549	2 173	1 790	(383)	-21%	2 500
Road Structures		-		-	-	-	-		-
Road Furniture		-		-	-	-	-		-
Capital Spares		-		-	-	-	-		-
Storm water Infrastructure		-		-	-	-	-		-
Drainage Collection		-		-	-	-	-		-
Storm water Conveyance		-		-	-	-	-		-
Attenuation		-		-	-	-	-		-
Electrical Infrastructure	1 802	1 900	-	110	741	1 220	479	39%	1 900
Power Plants		-		-	-	-	-		-
HV Substations		-		-	-	-	-		-
HV Switching Station		-		-	-	-	-		-
HV Transmission Conductors		-		-	-	-	-		-
MV Substations		-		-	-	-	-		-
MV Switching Stations		-		-	-	-	-		-
MV Networks	1 802	1 800		110	741	1 170	429	37%	1 800
LV Networks		-		-	-	-	-		-
Capital Spares		100		-	-	50	50	100%	100
Solid Waste Infrastructure	1 885	2 300	-	686	1 123	1 160	37	3%	2 300
Landfill Sites	1 885	2 150		686	1 123	1 110	(13)	-1%	2 150
Waste Transfer Stations		-		-	-	-	-		-
Waste Processing Facilities		-		-	-	-	-		-
Waste Drop-off Points		-		-	-	-	-		-
Waste Separation Facilities		-		-	-	-	-		-
Electricity Generation Facilities		-		-	-	-	-		-
Capital Spares		150		-	-	50	50	100%	150
Other assets	1 432	1 300	-	-	12	590	578	98%	1 300
Operational Buildings	1 432	1 300	-	-	12	590	578	98%	1 300
Municipal Offices	1 432	1 300		-	12	590	578	98%	1 300
Intangible Assets	82	100	-	-	-	20	20	100%	100
Servitudes		-		-	-	-	-		-
Licences and Rights	82	100	-	-	-	20	20	100%	100
Computer Software and Applications	82	100		-	-	20	20	100%	100
Computer Equipment	-	-	-	5	14	-	(14)	0%	-
Computer Equipment		-		5	14		(14)	0%	
Machinery and Equipment	2 405	1 711	-	-	3	938	935	100%	1 711
Machinery and Equipment	2 405	1 711		-	3	938	935	100%	1 711
Transport Assets	1 800	1 500	-	250	445	1 020	575	56%	1 500
Transport Assets	1 800	1 500		250	445	1 020	575	56%	1 500
Total Repairs and Maintenance Expenditure	10 353	11 311	-	1 600	4 511	6 738	2 227	33%	11 311

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	41 257	45 835	-	-	-	19 098	19 098	100%	45 835
Roads Infrastructure	23 126	25 298	-	-	-	10 541	10 541	0	25 298
Roads	23 126	25 298				10 541	10 541	0	25 298
Road Structures		-				-	-		-
Road Furniture		-				-	-		-
Capital Spares		-				-	-		-
Storm water Infrastructure	4 525	5 746	-	-	-	2 394	2 394	0	5 746
Drainage Collection		-				-	-		-
Storm water Conveyance	4 525	5 746				2 394	2 394	0	5 746
Attenuation		-				-	-		-
Electrical Infrastructure	11 306	12 398	-	-	-	5 166	5 166	0	12 398
Power Plants		-				-	-		-
HV Substations		-				-	-		-
HV Switching Station		-				-	-		-
HV Transmission Conductors	11 306	12 398				5 166	5 166	0	12 398
MV Substations		-				-	-		-
MV Switching Stations		-				-	-		-
MV Networks		-				-	-		-
LV Networks		-				-	-		-
Capital Spares		-				-	-		-
Solid Waste Infrastructure	2 300	2 392	-	-	-	997	997	0	2 392
Landfill Sites	2 300	2 392				997	997	0	2 392
Community Assets	2 145	2 231	-	-	-	930	930	0	2 231
Community Facilities	2 145	2 231	-	-	-	930	930	0	2 231
Halls		-				-	-		-
Centres		-				-	-		-
Crèches		-				-	-		-
Clinics/Care Centres		-				-	-		-
Fire/Ambulance Stations		-				-	-		-
Testing Stations		-				-	-		-
Museums		-				-	-		-
Galleries		-				-	-		-
Theatres		-				-	-		-
Libraries		-				-	-		-
Cemeteries/Crematoria	2 145	2 231				930	930	0	2 231
Police		-				-	-		-
Parks		-				-	-		-
Public Open Space		-				-	-		-
Nature Reserves		-				-	-		-
Other assets	115	120	-	-	-	50	50	0	120
Operational Buildings	115	120	-	-	-	50	50	0	120
Municipal Offices	115	120				50	50	0	120
Computer Equipment	20	21	-	-	-	9	9	0	21
Computer Equipment	20	21				9	9	0	21
Furniture and Office Equipment	25	26	-	-	-	11	11	0	26
Furniture and Office Equipment	25	26				11	11	0	26
Machinery and Equipment	2 000	2 080	-	-	-	867	867	0	2 080
Machinery and Equipment	2 000	2 080				867	867	0	2 080
Transport Assets	854	888	-	-	-	370	370	0	888
Transport Assets	854	888				370	370	0	888
Total Depreciation	46 416	51 200	-	-	-	21 333	21 333	0	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	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Attenuation	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
Power Plants	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
MV Switching Stations	-	-	-	-	-	-	-	-	-
MV Networks	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Waste Drop-off Points	-	-	-	-	-	-	-	-	-
Waste Separation Facilities	-	-	-	-	-	-	-	-	-
Electricity Generation Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Halls	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Other assets	-	3 947	-	21	115	1 827	1 712	94%	3 947
Operational Buildings	-	3 947	-	21	115	1 827	1 712	94%	3 947
Municipal Offices	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	3 947	-	21	115	1 827	1 712	94%	3 947
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	-	3 947	-	21	115	1 827	1 712	94%	3 947

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 R12, 824 million and the year to date budget is R13, 154 million which reflects under spending variance of R331 thousand that translates to 3% variance. The year to date actuals on renewal of existing assets amounts R18, 209 million and with the year to date budget of R16, 132 million and this reflects over spending variance of R2, 077 million that translates to 13% variance.

The year to date actual expenditure on repairs and maintenance is R4, 511 million and the year to date budget is R6, 738 million, reflecting under spending variance of R2, 227 million that translates to 33%.

The year to date actual expenditure on upgrading of existing assets is R115 thousand and the year to date budget is R1, 827 million, reflecting under spending variance of R1, 712 million that translates to 94%.

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 November 2017 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature 

Date 15/12/2017