

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

September 2014

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

LIM472 Elias Motsoaledi - Table C1 Monthly Budget Statement Summary - M03 September									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Property rates	23,842	30,000	-	1,301	4,796	7,500	(2,704)	-36%	30,000
Service charges	51,569	63,049	-	5,076	15,197	15,762	(565)	-4%	63,049
Investment revenue	3,036	2,800	-	724	1,526	700	826	118%	2,800
Transfers recognised - operational	146,803	170,641	-	42	66,267	42,660	23,607	55%	170,641
Other own revenue	13,659	13,628	-	1,153	3,837	3,407	430	13%	13,628
Total Revenue excluding capital transfers	238,910	280,116	-	8,296	91,623	70,029	21,594	31%	280,116
Employee costs	76,842	97,177	-	6,988	20,865	24,294	(3,429)	-14%	97,177
Remuneration of Councillors	15,233	16,273	-	1,519	4,774	4,068	706	17%	16,273
Depreciation & asset impairment	-	35,000	-	-	-	8,750	(8,750)	-100%	35,000
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	49,729	50,013	-	4,724	16,804	12,503	4,300	34%	50,013
Transfers and grants	-	9,600	-	55	202	2,400	(2,198)	-92%	9,600
Other expenditure	74,854	83,433	-	7,962	19,926	20,858	(932)	-4%	83,433
Total Expenditure	216,657	291,497	-	21,247	62,571	72,874	(10,304)	-14%	291,497
Surplus/(Deficit)	22,253	(11,379)	-	(12,951)	29,053	(2,845)	31,897	-1121%	(11,379)
Transfers recognised - capital	40,035	50,840	-	104	104	12,710	(12,606)	-99%	50,840
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers	62,288	39,461	-	(12,847)	29,157	9,865	19,292	196%	39,461
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	62,288	39,461	-	(12,847)	29,157	9,865	19,292	196%	39,461
Capital expenditure & funds sources									
Capital expenditure	45,872	77,290	-	91	217	908	(691)	-76%	77,290
Capital transfers recognised	37,608	50,840	-	91	91	638	(547)	-86%	50,840
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	8,264	26,450	-	-	126	270	(144)	-53%	26,450
Total sources of capital funds	45,872	77,290	-	91	217	908	(691)	-76%	77,290
Financial position									
Total current assets	96,884	72,269	-		141,356				72,269
Total non current assets	825,877	1,077,247	-		804,508				1,077,247
Total current liabilities	74,168	43,000	-		98,598				43,000
Total non current liabilities	27,077	40,000	-		30,512				40,000
Community wealth/Equity	821,516	1,066,516	-		816,753				1,066,516
Cash flows									
Net cash from (used) operating	68,580	72,559	-	(15,626)	(1,526)	18,140	19,666	108%	72,559
Net cash from (used) investing	(48,536)	(72,290)	-	(104)	(247)	143	390	273%	(72,290)
Net cash from (used) financing	22	500	-	(22)	(25)	42	67	160%	500
Cash/cash equivalents at the month/year end	35,400	20,769	-	-	67,379	38,324	(29,055)	-76%	69,947
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days -1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	7,964	5,083	2,419	7,582	1,252	1,424	7,756	21,239	54,719
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

The above C1 Sum table summarizes the following activities:-

Revenue:

The actual revenue for the month of September 2014 is R8, 296 million and the year to date actual is R91, 623 million. With a year to date budget of R70, 029 million, this reflects a favourable variance of R21, 954 million and all revenue generating activities reflect a positive variance except the following line items:

- Property rates: 36% unfavourable variance
- Service charges – refuse removal: 36% unfavourable variance
- Service charges – other: 93% unfavourable variance
- Fines: 50% unfavourable variance
- License and permits: 25% unfavourable variance

Operating Expenditure

The Operational expenditure for the month amounts to R21, 247 million and the year to date actuals amounts to R62, 571 million and the year to date budget is R72, 874 million. This reflects an unfavourable variance of 14% that is partly attributed to depreciation and asset impairment as well as debt impairment that have 100% unfavourable variance. Cognizance should be taken that the two line items non-cash items and as a result, they do not therefore affect the cash flow position and/or performance of the Municipality.

Capital Expenditure

The capital expenditure for the month of September amounts to R91 thousand and the year to date capital expenditure amounts to R217 thousand of which the R91 thousand spending pertain to MIG funded project/s while the R126 thousand pertain to internally funded project/s.

Surplus/Deficit

Taking the above into consideration, the net operating deficit for the month is R12, 847 million and the year to date results reflect a surplus amounting to R29, 157 million.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors for the month of September amounts to R54, 719 million of which R44, 282 million (80,93%) is consumer debtors and R10, 437 million (19, 07%) is sundry debtors.

Creditors

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

Table C2 – Financial Performance (Standard Classification)

LIM472 Elias Motsoaledi - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M03 September									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Standard									
Governance and administration	173,798	207,929	-	2,568	74,056	51,982	22,073	42%	207,929
Executive and council	1,271	934	-	-	68	234	(165)	-71%	934
Budget and treasury office	172,386	206,890	-	2,566	73,939	51,723	22,216	43%	206,890
Corporate services	142	105	-	2	49	26	23	86%	105
Community and public safety	5,403	7,686	-	585	1,245	1,921	(677)	-35%	7,686
Community and social services	46	1,353	-	36	105	338	(233)	-69%	1,353
Sport and recreation	2	25	-	-	-	6	(6)	-100%	25
Public safety	5,354	6,308	-	550	1,139	1,577	(438)	-28%	6,308
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	38,468	52,357	-	198	1,313	13,089	(11,776)	-90%	52,357
Planning and development	22	77	-	0	3	19	(16)	-83%	77
Road transport	38,446	52,280	-	197	1,310	13,070	(11,760)	-90%	52,280
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	61,296	62,986	-	5,049	15,114	15,747	(633)	-4%	62,986
Electricity	58,572	56,430	-	4,772	14,283	14,108	175	1%	56,430
Water	(22)	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	2,746	6,556	-	277	831	1,639	(808)	-49%	6,556
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	278,965	330,958	-	8,400	91,727	82,739	8,988	11%	330,958
Expenditure - Standard									
Governance and administration	110,631	140,374	-	10,189	27,590	35,093	(7,504)	-21%	140,374
Executive and council	47,011	35,246	-	2,639	7,762	8,812	(1,049)	-12%	35,246
Budget and treasury office	19,075	64,053	-	3,273	6,306	16,013	(9,708)	-61%	64,053
Corporate services	44,545	41,074	-	4,277	13,522	10,269	3,253	32%	41,074
Community and public safety	14,337	50,987	-	2,650	8,178	12,747	(4,569)	-36%	50,987
Community and social services	3,336	20,771	-	1,308	4,036	5,193	(1,157)	-22%	20,771
Sport and recreation	-	445	-	-	-	111	(111)	-100%	445
Public safety	11,001	29,771	-	1,342	4,143	7,443	(3,300)	-44%	29,771
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	31,515	30,947	-	2,201	6,402	7,737	(1,335)	-17%	30,947
Planning and development	9,491	12,158	-	778	2,440	3,040	(599)	-20%	12,158
Road transport	22,024	18,789	-	1,423	3,961	4,697	(736)	-16%	18,789
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	60,174	69,190	-	6,207	20,401	17,297	3,104	18%	69,190
Electricity	50,471	56,772	-	5,033	17,442	14,193	3,249	23%	56,772
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	9,704	12,418	-	1,174	2,960	3,104	(145)	-5%	12,418
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	216,657	291,497	-	21,247	62,571	72,874	(10,304)	-14%	291,497
Surplus/ (Deficit) for the year	62,308	39,461	-	(12,847)	29,157	9,865	19,292	196%	39,461

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

LIM472 Elias Motsoaledi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) -									
Vote Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	890	934	-	-	68	234	(165)	-70.7%	934
Vote 3 - Budget & Treasury	172,386	206,890	-	2,566	73,939	51,723	22,216	43.0%	206,890
Vote 4 - Corporate Services	142	105	-	2	49	26	23	85.9%	105
Vote 5 - Community Services	8,529	14,242	-	862	2,076	3,560	(1,485)	-41.7%	14,242
Vote 6 - Technical Services	96,996	108,710	-	4,970	15,593	27,178	(11,585)	-42.6%	108,710
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	22	77	-	0	3	19	(16)	-82.8%	77
Total Revenue by Vote	278,965	330,958	-	8,400	91,727	82,739	8,988	10.9%	330,958
Expenditure by Vote									
Vote 1 - Executive & Council	24,932	25,556	-	2,267	7,021	6,389	632	9.9%	25,556
Vote 2 - Office of the Municipal Manager	6,299	9,690	-	372	742	2,422	(1,681)	-69.4%	9,690
Vote 3 - Budget & Treasury	19,075	64,053	-	3,273	6,306	16,013	(9,708)	-60.6%	64,053
Vote 4 - Corporate Services	44,545	41,074	-	4,277	13,522	10,269	3,253	31.7%	41,074
Vote 5 - Community Services	39,820	63,405	-	3,825	11,138	15,851	(4,713)	-29.7%	63,405
Vote 6 - Technical Services	72,494	75,560	-	6,455	21,403	18,890	2,513	13.3%	75,560
Vote 7 - Strategic Development	4,571	6,223	-	439	1,415	1,556	(140)	-9.0%	6,223
Vote 8 - Developmental Planning	4,920	5,936	-	339	1,025	1,484	(459)	-30.9%	5,936
Total Expenditure by Vote	216,657	291,497	-	21,247	62,571	72,874	(10,304)	-14.1%	291,497
Surplus/ (Deficit) for the year	62,308	39,461	-	(12,847)	29,157	9,865	19,292	195.6%	39,461

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 vote and standard classification 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

LIM472 Elias Motsoaledi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	23,842	30,000	-	1,301	4,796	7,500	(2,704)	-36%	30,000
Property rates - penalties & collection charge	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	48,848	55,300	-	4,807	14,321	13,825	496	4%	55,300
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2,721	5,188	-	277	829	1,297	(468)	-36%	5,188
Service charges - other	-	2,561	-	(7)	47	640	(594)	-93%	2,561
Rental of facilities and equipment	758	1,055	-	81	981	264	718	272%	1,055
Interest earned - external investments	3,036	2,800	-	724	1,526	700	826	118%	2,800
Interest earned - outstanding debtors	407	5,000	-	502	1,383	1,250	133	11%	5,000
Dividends received	-	-	-	-	-	-	-	-	-
Fines	461	610	-	18	75	153	(77)	-50%	610
Licences and permits	4,893	5,648	-	532	1,063	1,412	(349)	-25%	5,648
Agency services	(22)	-	-	-	-	-	-	-	-
Transfers recognised - operational	146,803	170,641	-	42	66,267	42,660	23,607	55%	170,641
Other revenue	7,161	1,315	-	20	334	329	6	2%	1,315
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue excluding capital transfers	238,910	280,118	-	8,296	91,623	70,029	21,594	31%	280,118
Expenditure By Type									
Employee related costs	76,842	97,177	-	6,988	20,865	24,294	(3,429)	-14%	97,177
Remuneration of councillors	15,233	16,273	-	1,519	4,774	4,068	706	17%	16,273
Debt impairment	-	3,000	-	-	-	750	(750)	-100%	3,000
Depreciation & asset impairment	-	35,000	-	-	-	8,750	(8,750)	-100%	35,000
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	47,505	47,000	-	4,594	16,247	11,750	4,497	38%	47,000
Other materials	2,224	3,013	-	130	557	753	(197)	-26%	3,013
Contracted services	9,798	8,700	-	867	2,611	2,175	436	20%	8,700
Transfers and grants	-	9,600	-	55	202	2,400	(2,198)	-92%	9,600
Other expenditure	65,056	71,733	-	7,095	17,315	17,933	(618)	-3%	71,733
Loss on disposal of PPE	-	-	-	-	-	-	-	0%	-
Total Expenditure	216,657	291,497	-	21,247	62,571	72,874	(10,304)	-14%	291,497
Surplus/(Deficit)	22,253	(11,379)	-	(12,951)	29,053	(2,845)	31,897	-1121%	(11,379)
Transfers recognised - capital	40,035	50,840	-	104	104	12,710	(12,606)	-99%	50,840
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers	62,288	39,461	-	(12,847)	29,157	9,865	-	0%	39,461
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	62,288	39,461	-	(12,847)	29,157	9,865	-	0%	39,461
Attributable to minorities	-	-	-	-	-	-	-	0%	-
Surplus/(Deficit)	62,288	39,461	-	(12,847)	29,157	9,865	-	0%	39,461
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	0%	-
Surplus/ (Deficit) for the year	62,288	39,461	-	(12,847)	29,157	9,865	-	0%	39,461

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections or targets are on property rates, refuse revenue, service charges other, fines, and license and permits. All other sources reflect a positive variance. In the case of expenditure, all year to date actuals reflects an under spending except the bulk purchase (49 % variance), remuneration of councilors (17% variance) and contracted services (20% variance).

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it's 10% and more. These reasons are provided in Supporting Table SC1.

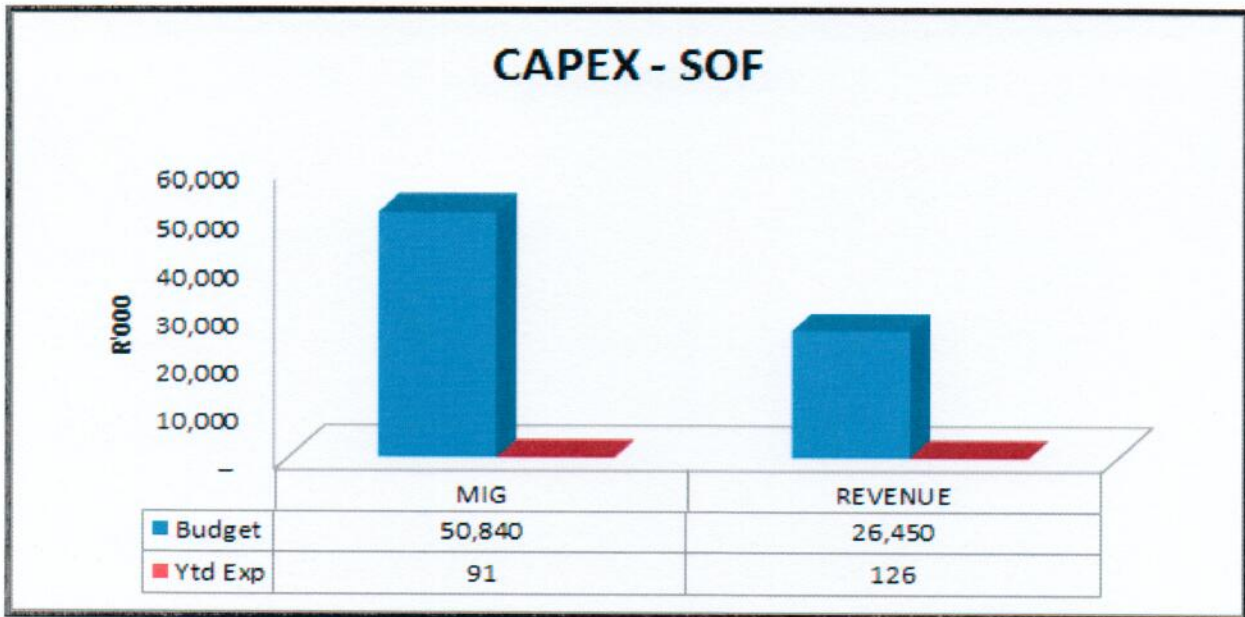
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

LIM472 Elias Motsoaledi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) -									
Vote Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Standard Classification									
Governance and administration	1,958	1,300	-	-	126	60	66	110%	1,300
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	74	-	-	-	-	-	-	-	-
Corporate services	1,884	1,300	-	-	126	60	66	110%	1,300
Community and public safety	-	500	-	-	-	-	-	-	500
Community and social services	-	500	-	-	-	-	-	-	500
Economic and environmental services	37,451	66,940	-	91	91	838	(747)	-89%	66,940
Planning and development	-	1,500	-	-	-	-	-	-	1,500
Road transport	37,451	65,440	-	91	91	838	(747)	-89%	65,440
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	6,463	7,950	-	-	-	10	(10)	-100%	7,950
Electricity	6,463	7,950	-	-	-	10	(10)	-100%	7,950
Other	-	600	-	-	-	-	-	-	600
Total Capital Expenditure - Std Classification	45,872	77,290	-	91	217	908	(691)	-76%	77,290
Funded by:									
National Government	37,608	50,840	-	91	91	638	(547)	-86%	50,840
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	37,608	50,840	-	91	-	638	(547)	-86%	50,840
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	8,264	26,450	-	-	126	270	(144)	-53%	26,450
Total Capital Funding	45,872	77,290	-	91	217	908	(691)	-76%	77,290

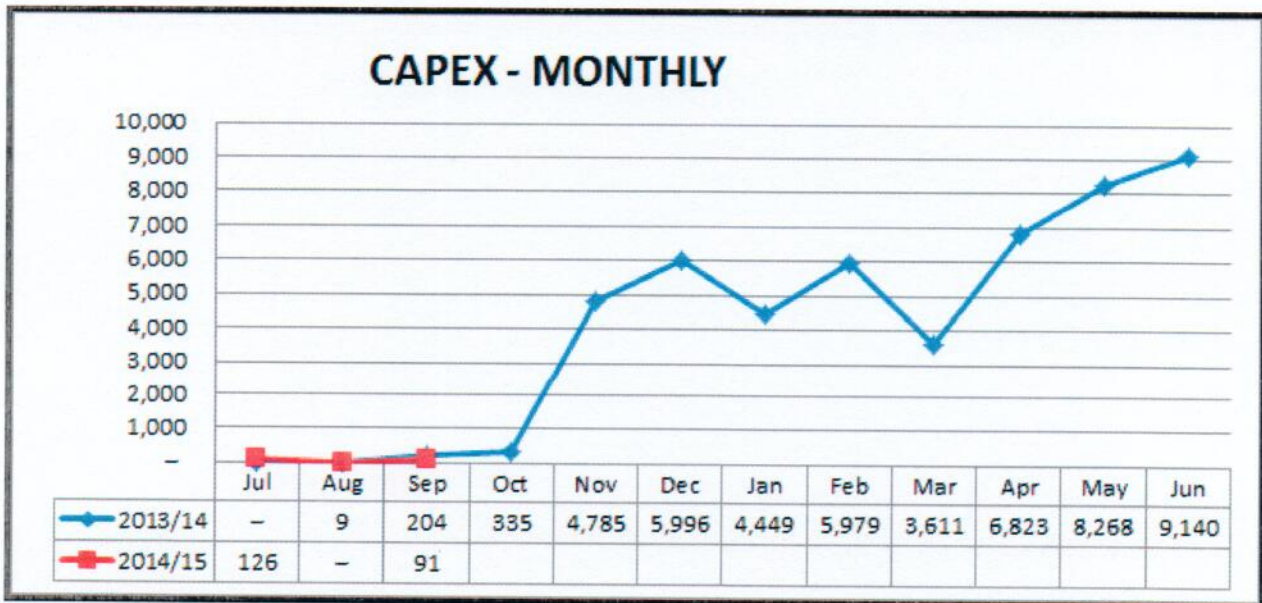
Table C5C: Monthly Capital Expenditure by Vote

LIM472 Elias Motsoaledi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and									
Vote Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance (%)	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-		-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-		-
Vote 4 - Corporate Services	-	1,300	-	-	126	60	66	110%	1,300
Vote 5 - Community Services	-	500	-	-	-	-	-		500
Vote 6 - Technical Services	42,001	43,379	-	91	91	414	(322)	-78%	43,379
Vote 7 - Strategic Development	-	-	-	-	-	-	-		-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	42,001	45,179	-	91	217	474	(257)	-54%	45,179
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-		-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Budget & Treasury	74	-	-	-	-	-	-		-
Vote 4 - Corporate Services	1,884	-	-	-	-	-	-		-
Vote 5 - Community Services	-	-	-	-	-	-	-		-
Vote 6 - Technical Services	1,914	30,611	-	-	-	434	(434)	-100%	30,611
Vote 7 - Strategic Development	-	-	-	-	-	-	-		-
Vote 8 - Developmental Planning	-	1,500	-	-	-	-	-		1,500
Total Capital single-year expenditure	3,872	32,111	-	-	-	434	(434)	-100%	32,111
Total Capital Expenditure	45,872	77,290	-	91	217	908	(691)	-76%	77,290

The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and funding. For the month of September 2014, only R91 thousand spending was incurred and the year to date capital expenditure amounts to R217 thousand which shows an unfavourable variance of R691 thousand against the year to date budget of R908 thousand and this constitutes an under spending variance of 76%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R77, 290 million, R50, 840 million is funded from Municipal Infrastructure grant and R26, 450 million from Own Revenue. The spending to date per sources of finance is R91 thousand on MIG and R126 thousand on own revenue.



The above graph compares the 2013/14 and 2014/15 monthly capital expenditure performance. In addition, the graph shows adoption of 2013/14 spending pattern that was below par and poses concern regarding the material underspending of MIG allocation since only 0.18% of this allocation is spent as at end of first quarter.

Table C6: Monthly Budget Statement Financial Position

LIM472 Elias Motsoaledi - Table C6 Monthly Budget Statement - Financial Position - M03					
Description	2013/14	Budget Year 2014/15			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	2,883	5,769	-	5,043	5,769
Call investment deposits	32,332	15,000	-	68,812	15,000
Consumer debtors	9,276	30,000	-	44,282	30,000
Other debtors	50,101	16,500	-	10,437	16,500
Current portion of long-term receivables	-	-	-	-	-
Inventory	2,291	5,000	-	2,260	5,000
Total current assets	96,884	72,269	-	130,833	72,269
Non current assets					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	80,617	220,000	-	85,382	220,000
Investments in Associate	-	-	-	-	-
Property, plant and equipment	722,574	830,229	-	696,452	830,229
Agricultural	-	-	-	-	-
Biological assets	12	18	-	-	18
Intangible assets	22,674	27,000	-	22,674	27,000
Other non-current assets	-	-	-	-	-
Total non current assets	825,877	1,077,247	-	804,508	1,077,247
TOTAL ASSETS	922,761	1,149,516	-	935,341	1,149,516
LIABILITIES					
Current liabilities					
Bank overdraft	-	-	-	-	-
Borrowing	-	-	-	-	-
Consumer deposits	3,307	5,000	-	3,190	5,000
Trade and other payables	70,861	38,000	-	95,408	38,000
Provisions	-	-	-	-	-
Total current liabilities	74,168	43,000	-	98,598	43,000
Non current liabilities					
Borrowing	-	-	-	-	-
Provisions	27,077	40,000	-	30,512	40,000
Total non current liabilities	27,077	40,000	-	30,512	40,000
TOTAL LIABILITIES	101,245	83,000	-	129,111	83,000
NET ASSETS	821,516	1,066,516	-	806,230	1,066,516
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	821,516	1,066,516	-	806,230	1,066,516
TOTAL COMMUNITY WEALTH/EQUITY	821,516	1,066,516	-	806,230	1,066,516

The above table shows that community wealth amounts to R806, 230 million, total liabilities R129, 111 million and the total assets R 935, 341 million.

Table C7: Monthly Budget Statement Cash Flow

LIM472 Elias Motsoaledi - Table C7 Monthly Budget Statement - Cash Flow - M03 September									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	83,043	107,021	-	6,907	22,981	26,755	(3,775)	-14%	107,021
Government - operating	146,803	170,641	-	42	66,267	42,660	23,607	55%	170,641
Government - capital	54,134	50,840	-	104	104	12,710	(12,606)	-99%	50,840
Interest	8,437	8,105	-	1,025	2,133	2,026	107	5%	8,105
Dividends	-	-	-	-	-	-	-	0%	-
Payments									
Suppliers and employees	(223,685)	(254,448)	-	(21,192)	(52,586)	(63,612)	(11,026)	17%	(254,448)
Finance charges	(152)	-	-	-	-	-	-	0%	-
Transfers and Grants	-	(9,600)	-	(55)	(202)	(2,400)	(2,198)	92%	(9,600)
NET CASH FROM/(USED) OPERATING ACTIVITIES	68,580	72,559	-	(13,169)	38,697	18,140	(20,557)	-113%	72,559
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	-	5,000	-	-	-	417	(417)	-100%	5,000
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	0%	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	0%	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	0%	-
Payments									
Capital assets	(48,536)	(77,290)	-	(91)	(217)	(908)	(691)	76%	(77,290)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(48,536)	(72,290)	-	(91)	(217)	(491)	(274)	56%	(72,290)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	0%	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	0%	-
Increase (decrease) in consumer deposits	22	500	-	(1)	(26)	42	(67)	-162%	500
Payments									
Repayment of borrowing	-	-	-	-	-	-	-	0%	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	22	500	-	(1)	(26)	42	67	162%	500
NET INCREASE/ (DECREASE) IN CASH HELD	20,066	769	-	(13,261)	38,454	17,690	-	0%	769
Cash/cash equivalents at beginning:	15,334	20,000	-	-	35,400	20,000	-	0%	35,400
Cash/cash equivalents at month/year end:	35,400	20,769	-	-	73,854	37,690	-	0%	36,169

Table C7 presents details pertaining to cash flow performance. For the month of September 2014, the net cash outflow from operating activities is R13, 169 million (year to date actuals R38, 697 million - inflow) whilst net cash outflow from investing activities is R91 thousand (year to date actuals R217 thousand) that is mainly comprised of capital expenditure movement; and the net cash outflow from financing activities is R600 thousand (year to date actuals R26 thousand). The cash and cash equivalent held at the end of September 2014 amounted to R73, 854 million that is made up of cash amounting R5, 043 million and short term investments of R68, 812 million.

PART 2: SUPPORTING TABLES

Supporting Table: SC 1 – Material variance explanations

LIM472 Elias Motsoaledi - Supporting Table SC1 Material variance explanations - M03 September			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source			
Property rates	-36%	Revenue forgone including transactions that are supposed to be classified as grants paid out.	Finance is in a process of unbundling revenue forgone to ensure correct classification of transactions thereof
Service charges - other	-93%	Effluent charges and line items such as reconnection fees appear to be occurring at lower rate relative to the anticipated rate thereof.	Budget will be adjusted downwards.
Service charges - refuse revenue	-36%	Some areas/townships that enjoy this service type are not getting billed for it (e.g. Motetema township).	Revenue enhancement strategy is in a process of being rolled out and this campaign is aimed at augmenting revenue from basic services.
Fines	-50%	Low rate of traffic fines issued relative to 2013/14 performance	Budget will be adjusted downwards.
Expenditure By Type			
Depreciation & asset impairment	-100%	Non calculation of monthly actual depreciation.	Asset register will be uploaded on to the financial system and the monthly depreciation would then be generated automatically by the system
Transfers and grants	-92%	This is caused by some of pertinent transactions being classified as revenue forgone as opposed to transfers and grants paid out.	The unbundling of revenue forgone will ensure that transactions that need to be classified as transfers and grants paid out would then be classified as such.
Debt impairment	-100%	Non writing of bad or uncollectable debts.	Bad or uncollectable debts will be identified and submission will then be made to Council for write off.
Bulk purchases	38%	Electricity bulk purchase appear to be under budgeted for.	Budget will be adjusted upwards.
Capital Expenditure			
Grants funded projects	-86%	Most of the major projects have not yet kick started.	Bid documents for all the advertised projects are currently undergoing the SCM committees.
Own revenue funded projects	-53%	All major projects that are funded internally have not yet kick started as well.	Bid documents for all the advertised projects are currently undergoing the SCM committees.
Cash Flow			
Proceeds on disposal of PPE	-100%	Non conducting of auctions of assets that are not in use.	Only one auction has been conducted in the current financial year.
Government - capital	-99%	Underspending on MIG.	The grant will accordingly be spent once the municipality appoints service providers on MIG funded projects.
Increase (decrease) in consumer deposits	-162%	The budget was provided in favour of the increase in consumer deposit, however the actuals for the first quarter reflect a decrease.	The budget will be adjusted as per the actuals for six months period.

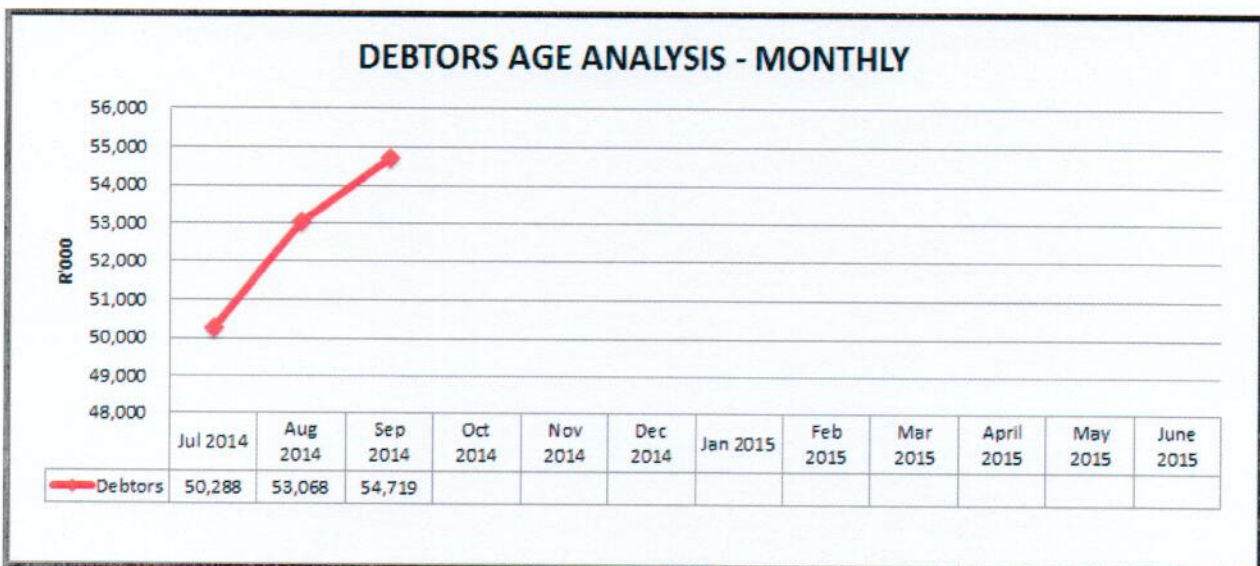
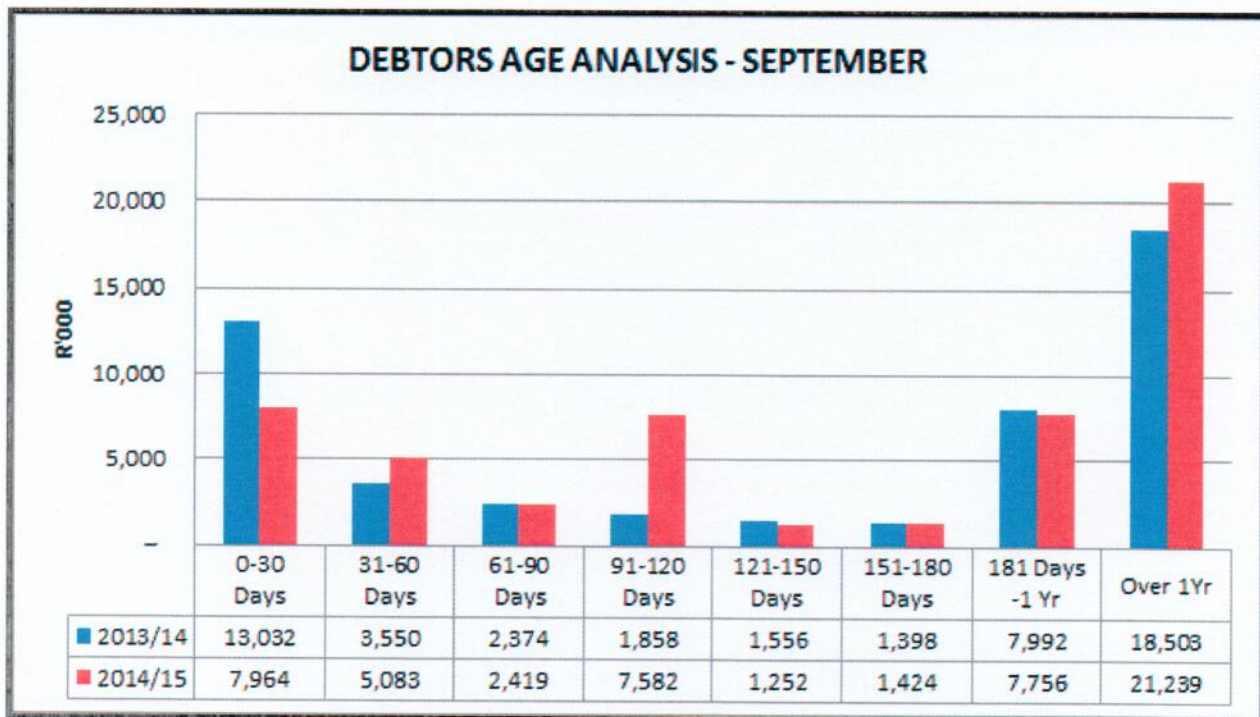
Supporting Table: SC 3 - Debtors Age Analysis

LIM472 Elias Motsoaledi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September										
Description	Budget Year 2014/15									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days -1 Yr	Over 1Yr	Total	Over 90 days
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	4,633	2,350	864	540	195	411	2,273	2,756	14,021	6,175
Receivables from Non-exchange Transactions - Property Rates	1,869	1,208	984	7,283	565	548	3,038	11,986	27,480	23,420
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	276	128	50	52	24	23	131	1,192	1,875	1,421
Receivables from Exchange Transactions - Property Rental Debtors	82	742	4	0	0	0	2	75	906	79
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-
Other	1,104	657	518	(293)	467	442	2,311	5,231	10,437	8,158
Total By Income Source	7,964	5,083	2,419	7,582	1,252	1,424	7,756	21,239	54,719	39,253
2013/14 - totals only	13,032	3,550	2,374	1,858	1,556	1,398	7,992	18,503	50,263	31,307
Debtors Age Analysis By Customer Group										
Organs of State	1,352	891	725	901	417	645	3,715	7,678	16,323	13,355
Commercial	2,804	1,499	348	365	176	146	620	1,726	7,684	3,033
Households	2,342	1,346	650	(411)	548	523	2,771	8,793	16,562	12,224
Other	1,485	1,347	696	6,728	111	109	650	3,043	14,150	10,642
Total By Customer Group	7,964	5,083	2,419	7,582	1,252	1,424	7,756	21,239	54,719	39,253

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of September 2014 amount to R54, 719 million. The debtors' book is made up as follows:

- Rates 50,22%
- Electricity 25,62%
- Rental 1, 66%
- Refuse removal 3,43%
- Other 19, 07%

The debtors' age analysis is graphically presented below.



The initial graph compares debtors' age analysis for 2013/14 (June 2014) and 2014/15 (as at end of September 2014) whilst the latter shows monthly movement of debtors in the current financial year.

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2014/15								
	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:

NUMBER	CREDITOR NAME	AMOUNT
37539	SEROLE TRAVEL AGENCY	321,010
32409	MAKGONATSOHLE TRADING ENTERPRI	278,211
04001	MOKWENA MOTORS T/A NONYANE MOT	177,930
37733	SK NINETEEN 76 TRAVEL & CONFER	123,701
0778	INSTITUTE OF MUNICIPAL FINANCE	113,120
35392	PHIL-MODI BUSINESS ENTERPRISE	98,604
37537	FITO & SONS CONSTRUCTION	97,500
35518	MMIRAH EVENTS AND FUNCTIONS	78,650
32082	MTHENGELWA TRADING & PROJECTS	63,042
37767	MOTEB TRADING & PROJECTS	34,375
00010	SAGE VIP (PTY) LTD	29,560
37617	DITHEBELE LE MMAKOBO TRAVEL	29,466
37719	MAGNUM RESOURCES & TRADING	27,767
33012	ROTEX MOTORCYCLES (PTY) LTD	27,181
37747	ASANTE VIABLE SOLUTIONS	25,450
37766	MATLAWENI TRADING ENTERPRISE	25,403
37587	MAKENA MASOLA TRADING (PTY) L	24,200
37694	MOLOSATLOU TRADING & CONSTRUCT	23,499
32005	BASADZI PERSONNEL CC	22,709
35535	LEFATSHE LA RONA TRADING&P 416	-
GRAND TOTAL		1,621,377

The above table presents the top twenty creditors paid during the month of September 2014 and an amount of R1, 621 million was paid for these creditors.

Supporting Table: SC 5 - Investment Portfolio

LIM472 Elias Motsoaledi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September								
Investments by maturity Name of institution & investment ID	Period of Investment (Yrs/Months)	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Sarlam	1 Month	Short term	31-Oct-2014	-	0.00%	322	-	322
Nedbank	3 Months	Short term	28-Nov-2014	154	0.49%	31,763	-	31,918
Absa	3 Months	Short term	27-Oct-2014	423	1.39%	30,429	-	30,852
TOTAL INVESTMENTS AND INTEREST				578		62,514	-	63,092

Supporting table SC5 presents all investments that indicate that total amount of R63, 092 million has been invested as at end of September 2014. The opening balance was R62, 514 million, accrued interest for the month amounted to R578 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

LIM472 Elias Motsoaledi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September									
Description	2013/14	Budget Year 2014/15							
	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:	146,878	170,641	-	-	69,081	69,081	-	-	170,641
Local Government Equitable Share	143,438	166,920	-	-	66,072	66,072	-	-	166,920
Finance Management	1,550	1,600	-	-	1,600	1,600	-	-	1,600
Municipal Systems Improvement	890	934	-	-	934	934	-	-	934
EPWP	1,000	1,187	-	-	475	475	-	-	1,187
Total Operating Transfers and Grants	146,878	170,641	-	-	69,081	69,081	-	-	170,641
Capital Transfers and Grants									
National Government:	53,596	50,840	-	-	16,907	16,907	-	-	50,840
Municipal Infrastructure Grant (MIG)	43,596	50,840	-	-	16,907	16,907	-	-	50,840
Integrated National Electrification Grant	10,000	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	53,596	50,840	-	-	16,907	16,907	-	-	50,840
TOTAL RECEIPTS OF TRANSFERS & GRANTS	200,474	221,481	-	-	85,988	85,988	-	-	221,481

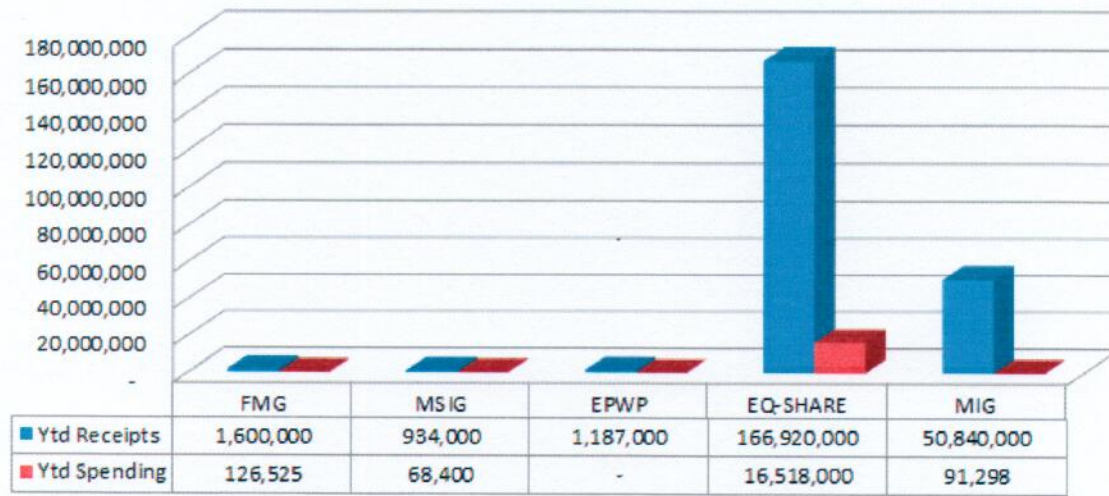
Supporting tables SC6 provide details of grants received. The year to date actual receipts amounts to R85, 988 million of which the major portion is attributed to equitable share (i.e. R66, 072 million) received. Other grants include amongst others, FMG, MSIG, EPWP and MIG. Cognizance should be taken that not all transfers and grants for the financial year 2014/15 have been received from National treasury except FMG and MSIG that have been fully received.

Supporting Table: SC 7 Transfers and grants - Expenditure

LIM472 Elias Motsoaledi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September									
Description	2013/14	Budget Year 2014/15							
	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:	146,878	170,641	-	5,548	16,713	13,105	3,608	27.5%	170,641
Local Government Equitable Share	143,438	166,920	-	5,506	16,518	12,912	3,606	27.9%	166,920
Finance Management	1,550	1,600	-	42	127	120	6	5.4%	1,600
Municipal Systems Improvement	890	934	-	-	68	72	(4)	-5.3%	934
EPWP Incentive	1,000	1,187	-	-	-	-	-	0.0%	1,187
Provincial Government:	-	-	-	-	-	-	-	0.0%	-
N/A	-	-	-	-	-	-	-	0.0%	-
District Municipality:	-	-	-	-	-	-	-	0.0%	-
N/A	-	-	-	-	-	-	-	0.0%	-
Other grant providers:	-	-	-	-	-	-	-	0.0%	-
N/A	-	-	-	-	-	-	-	0.0%	-
Total operating expenditure of Transfers and Grants:	146,878	170,641	-	5,548	16,713	13,105	3,608	27.5%	170,641
Capital expenditure of Transfers and Grants									
National Government:	42,437	50,840	-	91	91	354	(262)	-74.2%	50,840
Municipal Infrastructure Grant (MIG)	38,442	50,840	-	91	91	354	(262)	-74.2%	50,840
Intergrated National Electrification Grant	3,995	-	-	-	-	-	-	0.0%	-
Provincial Government:	-	-	-	-	-	-	-	0.0%	-
N/A	-	-	-	-	-	-	-	0.0%	-
District Municipality:	-	-	-	-	-	-	-	0.0%	-
N/A	-	-	-	-	-	-	-	0.0%	-
Other grant providers:	-	-	-	-	-	-	-	0.0%	-
N/A	-	-	-	-	-	-	-	0.0%	-
Total capital expenditure of Transfers and Grants	42,437	50,840	-	91	91	354	(262)	-74.2%	50,840
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	189,315	221,481	-	5,639	16,804	13,458	3,346	24.9%	221,481

An amount of R5, 639 million has been spent on grants during the month of September and the year to date actual expenditure amounts to R 16,804 million. R16, 713 is spent from operational grants while R91 thousand is spent from capital grant (MIG in particular).

GRANTS PERFORMANCE - SEPTEMBER 2014



The above graph depicts the year to date receipts on grants and the year to date expenditure thereof. The grants expenditure on funds already received (as opposed to budget) is further shown below in percentages:

- Financial Management Grant 8%
- Municipal Systems Improvement Grant 7%
- Expanded Public Work Programme 0%
- Equitable Share 10%
- Municipal Infrastructure Grant 0,18%

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

LIM472 Elias Motsoaledi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September									
Employee and Councilor remuneration	2013/14	Budget Year 2014/15							
	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	10,270	10,586	-	1,058	3,438	2,647	792	30%	10,586
Pension and UIF Contributions	953	1,417	-	83	244	354	(110)	-31%	1,417
Medical Aid Contributions	170	160	-	21	65	40	25	62%	160
Motor Vehicle Allowance	3,840	4,066	-	333	971	1,016	(45)	-4%	4,066
Cellphone Allowance	-	-	-	-	-	-	-	0%	-
Housing Allowances	-	-	-	-	-	-	-	0%	-
Other benefits and allowances	0	45	-	24	56	11	44	394%	45
Sub Total - Councillors	15,233	16,273	-	1,519	4,774	4,068	706	17%	16,273
% increase		6.8%							6.8%
Senior Managers of the Municipality									
Basic Salaries and Wages	3,335	5,131	-	375	1,093	1,283	(190)	-15%	5,131
Pension and UIF Contributions	-	400	-	24	65	100	(35)	-35%	400
Medical Aid Contributions	-	-	-	2	4	-	4	0%	-
Overtime	-	-	-	-	-	-	-	0%	-
Performance Bonus	-	-	-	-	-	-	-	0%	-
Motor Vehicle Allowance	827	1,292	-	82	246	323	(77)	-24%	1,292
Cellphone Allowance	-	-	-	-	-	-	-	0%	-
Housing Allowances	-	-	-	-	-	-	-	0%	-
Other benefits and allowances	-	67	-	17	35	17	18	109%	67
Payments in lieu of leave	-	60	-	-	-	15	(15)	-100%	60
Long service awards	-	-	-	-	-	-	-	0%	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	0%	-
Sub Total - Senior Managers of Municipality	4,162	6,949	-	499	1,442	1,737	(295)	-17%	6,949
% increase		67.0%							67.0%
Other Municipal Staff									
Basic Salaries and Wages	49,972	60,245	-	4,716	14,196	15,061	(865)	-6%	60,245
Pension and UIF Contributions	9,902	13,223	-	924	2,762	3,306	(544)	-16%	13,223
Medical Aid Contributions	2,621	3,076	-	224	675	769	(94)	-12%	3,076
Overtime	1,172	775	-	109	240	194	46	24%	775
Performance Bonus	-	-	-	-	-	-	-	0%	-
Motor Vehicle Allowance	3,718	4,451	-	391	1,156	1,113	43	4%	4,451
Cellphone Allowance	-	-	-	-	-	-	-	0%	-
Housing Allowances	67	120	-	7	24	30	(6)	-21%	120
Other benefits and allowances	699	7,483	-	112	335	1,871	(1,536)	-82%	7,483
Payments in lieu of leave	4,528	855	-	6	36	214	(178)	-83%	855
Long service awards	-	-	-	-	-	-	-	0%	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	0%	-
Sub Total - Other Municipal Staff	72,680	90,228	-	6,489	19,423	22,557	(3,134)	-14%	90,228
% increase		24.1%							24.1%
Total Parent Municipality	92,075	113,451	-	8,507	25,639	28,363	(2,723)	-10%	113,451
		23.2%							23.2%
TOTAL MANAGERS AND STAFF	76,842	97,177	-	6,988	20,865	24,294	(3,429)	-14%	97,177

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for September 2014 amounts to R8, 507 million and the year to date actual expenditure amounted to R25, 639 that is less by 10%.

LIM472 Elias Motsoaledi - Supporting Table SCS Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Budget Year 2014/15												2014/15 Medium Term Revenue & Expenditure Framework			
	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	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Year	Year	Year	
R thousands																
Cash Receipts By Source																
Property rates	1,342	1,065	1,861	-	-	-	-	-	-	-	-	25,602	30,000	32,674	33,438	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	4,572	3,825	5,813	-	-	-	-	-	-	-	-	41,090	55,300	57,170	58,255	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse	273	223	308	-	-	-	-	-	-	-	-	4,384	5,188	6,475	6,824	-
Service charges - other	63	63	(7)	-	-	-	-	-	-	-	-	2,442	2,561	2,894	3,039	-
Rental of facilities and equipment	57	46	110	-	-	-	-	-	-	-	-	1,065	1,091	1,091	1,150	-
Interest earned - external investments	98	444	1,082	-	-	-	-	-	-	-	-	1,274	2,800	3,273	3,449	-
Interest earned - outstanding debtors	-	64	729	-	-	-	-	-	-	-	-	4,109	5,000	5,270	5,555	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	24	34	18	-	-	-	-	-	-	-	-	535	610	1,065	1,122	-
Licences and permits	-	531	532	-	-	-	-	-	-	-	-	4,585	5,648	5,810	6,124	-
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operating	66,140	84	42	-	-	-	-	-	-	-	-	104,374	170,641	216,460	220,780	-
Other revenue	1,632	266	7,632	-	-	-	-	-	-	-	-	(3,215)	6,315	1,480	1,560	-
Cash Receipts by Source	74,201	6,676	18,220	-	-	-	-	-	-	-	-	186,020	285,118	333,651	341,297	-
Other Cash Flows by Source																
Transfer receipts - capital	-	-	-	-	-	-	-	-	-	-	-	50,840	50,840	61,901	56,245	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	5,000	5,000	400	1,800	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits	(3)	(22)	(1)	-	-	-	-	-	-	-	-	526	500	500	1,000	-
Receipt of non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	74,198	6,654	18,220	-	-	-	-	-	-	-	-	242,386	341,458	396,452	400,342	-
Cash Payments by Type																
Employee related costs	6,941	6,937	6,388	-	-	-	-	-	-	-	-	76,912	97,177	112,826	119,245	-
Remuneration of councillors	1,931	1,324	1,324	-	-	-	-	-	-	-	-	11,694	16,273	17,163	18,090	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity	5,635	6,018	4,094	-	-	-	-	-	-	-	-	31,253	47,000	49,538	52,213	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	290	136	130	-	-	-	-	-	-	-	-	2,456	3,013	1,918	2,022	-
Contracted services	872	872	867	-	-	-	-	-	-	-	-	6,069	8,700	11,067	11,665	-
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	94	53	55	-	-	-	-	-	-	-	-	9,398	9,600	12,859	13,553	-
General expenses	9,563	6,262	595	-	-	-	-	-	-	-	-	55,293	71,733	89,486	90,373	-
Cash Payments by Type	25,326	21,623	13,452	-	-	-	-	-	-	-	-	193,096	253,497	294,858	307,160	-
Other Cash Flows/Payments by Type																
Capital assets	126	-	91	-	-	-	-	-	-	-	-	77,073	77,290	96,225	90,589	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	25,452	21,623	13,544	-	-	-	-	-	-	-	-	270,169	330,787	391,082	397,749	-
NET INCREASE/(DECREASE) IN CASH HELD	48,746	(14,968)	4,676	-	-	-	-	-	-	-	-	(27,783)	10,671	5,370	2,592	-
Cash/cash equivalents at the month/year beginning:	35,400	84,146	69,178	73,854	73,854	73,854	73,854	73,854	73,854	73,854	73,854	73,854	73,854	35,400	46,071	51,441
Cash/cash equivalents at the month/year end:	84,146	69,178	73,854	73,854	73,854	73,854	73,854	73,854	73,854	73,854	73,854	46,071	46,071	46,071	51,441	54,033

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 R18, 220 million excluding the capital transfer receipts and the total cash payment for the month were R13, 452 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

LIM472 Elias Motsoaledi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September									
Month	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% Spent Original Budget
Monthly expenditure									
July		274	-	126	126	274	148	54.1%	0.16%
August	9	634	-	-	126	908	908	100.0%	0.16%
September	204	4,420	-	91	217	5,327	5,110	95.9%	0.28%
October	335	6,173	-	-	-	11,501	-	0.0%	0.00%
November	4,785	13,178	-	-	-	24,679	-	0.0%	0.00%
December	5,996	4,883	-	-	-	29,562	-	0.0%	0.00%
January	4,449	2,130	-	-	-	31,692	-	0.0%	0.00%
February	5,979	6,039	-	-	-	37,731	-	0.0%	0.00%
March	3,611	5,274	-	-	-	43,005	-	0.0%	0.00%
April	6,823	13,008	-	-	-	56,013	-	0.0%	0.00%
May	8,268	5,464	-	-	-	61,477	-	0.0%	0.00%
June	5,413	15,813	-	-	-	77,290	-	0.0%	0.00%
Total Capital expenditure	45,872	77,290	-	217					

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of September amounts to R91 thousand. The capital budget spending still need to be given thorough consideration since the average monthly spending is lower than the projected monthly expenditure.

In terms of the year to date budget, the spending was anticipated to be at R 5, 327 million based on the original budget and only R217 thousand has actually been spent to date. This reflects year to date variance of 95,9%.

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

LIM472 Elias Motsoaledi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets									
Infrastructure	37,052	51,239	-	91	91	638	547	85.7%	51,239
Infrastructure - Road transport	30,589	49,239	-	91	91	638	547	85.7%	49,239
<i>Roads, Pavements & Bridges</i>	30,589	47,739	-	91	91	638	547	85.7%	47,739
<i>Storm water</i>		1,500	-	-	-	-	-	-	1,500
Infrastructure - Electricity	6,463	2,000	-	-	-	-	-	-	2,000
<i>Transmission & Reticulation</i>	3,898		-	-	-	-	-	-	
<i>Street Lighting</i>	2,565	2,000	-	-	-	-	-	-	2,000
Community	175	500	-	-	-	-	-	-	500
Parks & gardens	-	500	-	-	-	-	-	-	500
Cemeteries	175	-	-	-	-	-	-	-	-
Other assets	6	600	-	-	-	-	-	-	600
Other	6	600	-	-	-	-	-	-	600
Total Capital Expenditure on new assets	37,233	52,339	-	91	91	638	547	85.7%	52,339

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

LIM472 Elias Motsoaledi - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capex on renewal of existing assets									
Infrastructure	6,639	19,851	-	-	-	60	60	100.0%	19,851
Infrastructure - Road transport	6,639	13,801	-	-	-	50	50	100.0%	13,801
<i>Roads, Pavements & Bridges</i>	6,639	13,801	-	-	-	50	50	100.0%	13,801
<i>Storm water</i>	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	6,250	-	-	-	10	10	100.0%	6,250
<i>Generation</i>	-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>	-	6,250	-	-	-	10	10	100.0%	6,250
Other assets	2,001	5,100	-	-	126	210	84	40.1%	5,100
General vehicles		200						0.0%	200
Specialised vehicles	-	-	-	-	-	-	-	0.0%	-
Plant & equipment	-	600	-	-	-	100	100	100.0%	600
Computers - hardware/equipment	1,311	500	-	-	1	-	(1)	0.0%	500
Furniture and other office equipment	356	300	-	-	-	-	-	0.0%	300
Civic Land and Buildings	-	1,500	-	-	-	50	50	100.0%	1,500
Other Buildings	43		-	-	-	-	-	0.0%	-
Other Land	-	1,500	-	-	-	-	-	0.0%	1,500
Surplus Assets - (Investment or Inventory)	-		-	-	-	-	-	0.0%	-
Other	291	500	-	-	125	60	(65)	-108.5%	500
Total Capex on renewal of existing assets	8,639	24,951	-	-	126	270	144	53.4%	24,951

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

LIM472 Elias Motsoaledi - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance - M03									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure									
Infrastructure	4,529	3,200	-	642	1,081	800	(281)	-35.1%	3,200
Infrastructure - Road transport	2,448	1,200	-	95	95	300	205	68.2%	1,200
<i>Roads, Pavements & Bridges</i>	2,266	1,000	-	95	95	250	155	61.9%	1,000
<i>Storm water</i>	183	200	-	-	-	50	50	100.0%	200
Infrastructure - Electricity	973	1,000	-	188	437	250	(187)	-74.9%	1,000
<i>Generation</i>	-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>	973	1,000	-	188	437	250	(187)	-74.9%	1,000
Infrastructure - Other	1,107	1,000	-	358	548	250	(298)	-119.4%	1,000
<i>Waste Management</i>	1,107	1,000	-	358	548	250	(298)	-119.4%	1,000
Community	13	-	-	-	-	-	-	-	-
Community halls	13	-	-	-	-	-	-	-	-
Other assets	5,043	5,576	-	696	1,412	1,394	(18)	-1.3%	5,576
General vehicles	32	2,067	-	199	265	517	251	48.6%	2,067
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	1,376	500	-	100	379	125	(254)	-203.2%	500
Other Buildings	914	1,250	-	146	263	313	49	15.7%	1,250
Other	2,721	1,759	-	251	504	440	(65)	-14.7%	1,759
Total Repairs and Maintenance	9,585	8,776	-	1,338	2,493	2,194	(299)	-13.6%	8,776

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

The total year to date actuals for new capital projects amounts to R91 thousand and the year to date budget is R638 thousand which reflects 85.7% less expenditure on new assets. The year to date expenditure on renewal of existing assets is R126 thousand and the year to date budget is R270 thousand and this reflects 53.4 % unfavourable variance.

The actual expenditure for the month of September on repairs and maintenance is R1, 338 and the year to date actuals is R2, 493 million and the year to date budget is R2, 194 million, reflecting over spending variance of 13, 6%.

Quality certificate

I, R. F. KORMAPE, the Acting Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of September 2014 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name R. F. KORMAPE

Acting Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature 

Date 10/10/2014