

ELIAS MOTSOALEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

DECEMBER 2016

PART 1: IN - YEAR REPORT

PURPOSE

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

EXECUTIVE SUMMARY

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

IN YEAR BUDGET STATEMENT TABLES

Table C1 – Budget Statement Summary

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Financial Performance									
Property rates	22,395	23,981	-	2,010	12,081	11,991	90	1%	24,161
Service charges	69,462	81,102	-	6,056	37,785	35,252	2,533	7%	75,571
Investment revenue	3,780	3,829	-	193	1,389	1,625	(236)	-15%	2,778
Transfers recognised - operational	216,641	213,105	-	159	157,680	159,288	(1,608)	-1%	213,105
Other own revenue	14,480	15,589	-	1,088	7,761	8,034	(273)	-3%	15,702
Total Revenue (excluding capital transfers)	326,759	337,606	-	9,505	216,696	216,190	505	0%	331,317
Employee costs	100,770	109,053	-	13,858	58,548	57,784	764	1%	109,053
Remuneration of Councillors	19,638	18,908	-	1,586	9,511	9,454	57	1%	19,022
Depreciation & asset impairment	-	35,796	-	-	-	-	-	-	-
Finance charges	-	60	-	800	1,354	30	1,324	4414%	2,708
Materials and bulk purchases	67,255	68,906	-	10,234	39,473	31,490	7,983	25%	78,945
Transfers and grants	1,089	2,128	-	282	1,022	1,039	(17)	-2%	2,044
Other expenditure	107,587	94,063	-	8,825	49,511	44,376	5,135	12%	89,022
Total Expenditure	296,338	328,915	-	35,585	159,419	144,173	15,245	11%	300,794
Surplus/(Deficit)	30,421	8,690	-	(26,080)	57,277	72,017	(14,740)	-20%	30,522
Transfers recognised - capital	77,188	75,419	-	(7,895)	34,702	63,519	(28,817)	-45%	75,419
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers	107,609	84,109	-	(33,975)	91,978	135,536	(43,558)	-32%	105,941
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	107,609	84,109	-	(33,975)	91,978	135,536	(43,558)	-32%	105,941
Capital expenditure & funds sources									
Capital expenditure	109,717	94,449	-	3,099	48,033	80,456	(32,422)	-40%	94,449
Capital transfers recognised	77,102	75,419	-	4,009	32,803	58,436	(25,633)	-44%	75,419
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	32,615	19,030	-	(910)	15,230	22,020	(6,790)	-31%	19,030
Total sources of capital funds	109,717	94,449	-	3,099	48,033	80,456	(32,422)	-40%	94,449
Financial position									
Total current assets	55,763	72,418	-	-	128,212	-	-	-	72,418
Total non current assets	959,821	993,473	-	-	1,032,329	-	-	-	993,473
Total current liabilities	61,431	31,896	-	-	97,248	-	-	-	31,896
Total non current liabilities	90,070	90,513	-	-	96,357	-	-	-	90,513
Community wealth/Equity	864,083	943,481	-	-	966,936	-	-	-	943,481
Cash flows									
Net cash from (used) operating	95,115	119,326	-	(58,322)	42,795	120,780	77,985	65%	119,326
Net cash from (used) investing	(107,971)	(89,449)	-	(3,099)	(48,033)	(44,725)	3,309	-7%	(89,449)
Net cash from (used) financing	(416)	(8,857)	-	(625)	(2,552)	(4,429)	(1,877)	42%	(8,857)
Cash/cash equivalents at the month/year end	11,695	27,259	-	-	60,033	77,865	17,832	23%	88,843
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	9,636	4,704	3,109	1,904	1,600	1,733	7,045	31,126	60,857
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 December 2016 is R216, 696 million and the year to date budget of R216, 190 million and this reflects a positive variance of R505 thousand and this this reflects fair performance of the operational revenue for the reporting period. Some major revenue item categories reflect a negative variance as presented below except property rates, service charges - electricity, rental of facilities, and Interest earned - outstanding debtors:

- Service Charges – Refuse Revenue: 9% unfavorable variance
- Interest earned - external investments: 15% unfavorable variance
- Licenses and permits: 7% unfavorable variance
- Fines: 32% unfavorable variance
- Transfer recognized operational: 1% unfavorable variance
- Other revenue: 31% unfavorable variance

Operating Expenditure

The year to date operational expenditure as at end of December 2016 amounts to R159, 419 million and the year to date budget is R144, 173 million. This reflects an unfavorable variance of R15, 245 million that translates to 11%. Cognizance should be taken that the above spending does not include “expenditure” on non-cash items and as a results, the expenditure is the actual spending that resulted in actual outflow of cash. With regard to finance charges the Amortization schedules where revised hence the huge percentage of (4414%). The municipality is 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.

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:

- Bulk purchase: 17% over performance variance
- Other materials: 145% over performance variance
- Contracted services: 127% over performance variance

The over performance variance on bulk purchase is as a result of high consumption of electricity that needs the municipality to come up with strategies to minimize the electricity consumption and with regards to 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 December 2016 amounts to R48, 033 million and the year to date budget amounts to R80, 456 million, giving rise to 40% under spending variance. This is attributed to Upgrading of Hlogotlou stadium budget of R10 million (funded by MIG) that is not yet spent as well as the electrification projects (funded by INEP) that spent R790,126 (that is spent on Electrification of Tshehla Trust). The under spending on projects that are funded by grants will lead the municipality to applying for roll over and as a result, this might have negative impact on future allocations.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month is R91, 978 million that is mainly attributed revenue from service charges and equitable share received to date.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of December 2016 amounts to R60, 857 million and this shows an increase of R3, 081 million as compared to R57, 776 million as at end of 2015/16 financial year.

Consumer debtors is made up of service charges and property rates that amount to R60, 511 million and other debtors amounting to R346 thousand.

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	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue - Standard									
Governance and administration	248,808	246,631	-	2,881	173,899	175,993	(2,094)	-1%	246,631
Executive and council	930	-	-	-	-	-	-	-	-
Budget and treasury office	247,871	246,619	-	2,880	173,892	175,987	(2,095)	-1%	246,619
Corporate services	6	11	-	0	6	6	1	13%	11
Community and public safety	1,216	1,384	-	29	403	581	(178)	-31%	1,384
Community and social services	34	39	-	6	22	20	2	12%	39
Sport and recreation	1	3	-	-	-	2	(2)	-100%	3
Public safety	1,181	1,342	-	23	381	560	(178)	-32%	1,342
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	74,461	70,558	-	540	38,409	56,608	(18,200)	-32%	70,558
Planning and development	1,186	1,167	-	119	1,078	583	495	85%	1,167
Road transport	73,275	69,391	-	421	37,331	56,025	(18,694)	-33%	69,391
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	79,462	94,452	-	(1,839)	38,686	46,527	(7,841)	-17%	94,452
Electricity	75,779	86,328	-	(2,441)	35,156	42,466	(7,310)	-17%	86,328
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	3,684	8,124	-	602	3,530	4,062	(532)	-13%	8,124
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	403,947	413,025	-	1,611	251,397	279,709	(28,312)	-10%	413,025
Expenditure - Standard									
Governance and administration	139,984	158,368	-	15,264	74,244	63,113	11,132	18%	158,368
Executive and council	48,529	45,635	-	5,707	26,943	25,863	1,080	4%	45,635
Budget and treasury office	46,937	71,054	-	4,695	24,802	15,491	9,311	60%	71,054
Corporate services	44,518	41,679	-	4,862	22,500	21,759	741	3%	41,679
Community and public safety	20,793	23,423	-	2,475	10,769	12,449	(1,680)	-13%	23,423
Community and social services	8,856	9,521	-	1,117	4,570	5,193	(623)	-12%	9,521
Sport and recreation	708	1,431	-	54	575	773	(197)	-26%	1,431
Public safety	11,230	12,470	-	1,303	5,624	6,483	(859)	-13%	12,470
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	50,859	50,267	-	5,505	26,469	29,846	(3,378)	-11%	50,267
Planning and development	8,403	10,031	-	508	2,598	5,104	(2,506)	-49%	10,031
Road transport	42,456	40,236	-	4,997	23,871	24,742	(872)	-4%	40,236
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	84,702	96,858	-	12,341	47,937	42,286	5,651	13%	96,858
Electricity	65,619	78,171	-	10,229	37,589	34,023	3,566	10%	78,171
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	19,083	18,687	-	2,112	10,348	8,263	2,086	25%	18,687
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	296,338	328,915	-	35,585	159,419	147,693	11,725	8%	328,915
Surplus/ (Deficit) for the year	107,609	84,109	-	(33,975)	91,978	132,016	(40,038)	-30%	84,109

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

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	930	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	247,871	246,619	-	2,880	173,892	175,987	(2,095)	-1%	246,619
Vote 4 - Corporate Services	6	11	-	0	6	6	1	13%	11
Vote 5 - Community Services	9,752	14,568	-	933	6,297	7,173	(876)	-12%	14,568
Vote 6 - Technical Services	144,201	150,659	-	(2,322)	70,123	95,961	(25,838)	-27%	150,659
Vote 7 - Strategic Deveopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	1,186	1,167	-	119	1,078	583	495	85%	1,167
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	403,947	413,025	-	1,611	251,397	279,709	(28,312)	-10%	413,025
Expenditure by Vote									
Vote 1 - Executive & Council	31,709	27,109	-	3,072	13,700	13,554	146	1%	27,109
Vote 2 - Office of the Municipal Manager	19,783	18,526	-	2,634	13,242	12,308	934	8%	18,526
Vote 3 - Budget & Treasury	46,937	71,054	-	4,695	24,802	15,491	9,311	60%	71,054
Vote 4 - Corporate Services	20,284	27,391	-	3,017	13,662	14,482	(820)	-6%	27,391
Vote 5 - Community Services	44,723	47,723	-	5,320	23,730	23,698	32	0%	47,723
Vote 6 - Technical Services	103,228	112,793	-	14,493	58,847	55,779	3,068	6%	112,793
Vote 7 - Strategic Deveopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	5,440	10,031	-	508	2,598	5,104	(2,506)	-49%	10,031
Vote 9 - Executive Support	24,234	14,288	-	1,846	8,838	7,277	1,561	21%	14,288
Total Expenditure by Vote	296,338	328,915	-	35,585	159,419	147,693	11,725	8%	328,915
Surplus/ (Deficit) for the year	107,609	84,109	-	(33,975)	91,978	132,016	(40,038)	-30%	84,109

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

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

Table C4: Financial Performance by Revenue Source and Expenditure Type

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Property rates	22,395	23,981	-	2,010	12,081	11,991	90	1%	24,161
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	65,779	73,328	-	5,453	34,255	31,366	2,890	9%	68,511
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	3,684	7,774	-	602	3,530	3,887	(357)	-9%	7,060
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	841	912	-	88	768	456	312	68%	1,536
Interest earned - external investments	3,780	3,829	-	193	1,389	1,625	(236)	-15%	2,778
Interest earned - outstanding debtors	5,872	6,123	-	631	3,262	3,062	201	7%	6,524
Dividends received	-	-	-	-	-	-	-	-	-
Fines	1,178	1,342	-	23	381	560	(178)	-32%	762
Licences and permits	4,852	5,060	-	302	2,364	2,530	(166)	-7%	4,727
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	216,641	213,105	-	159	157,680	159,288	(1,608)	-1%	213,105
Other revenue	1,737	2,152	-	44	986	1,427	(441)	-31%	2,152
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers)	326,759	337,606	-	9,505	216,696	216,190	505	0.23%	331,317
Expenditure By Type									
Employee related costs	100,770	109,053	-	13,858	58,548	57,784	764	1%	109,053
Remuneration of councillors	19,638	18,908	-	1,586	9,511	9,454	57	1%	19,022
Debt impairment	(2)	12,688	-	-	-	-	-	-	-
Depreciation & asset impairment	-	35,796	-	-	-	-	-	-	-
Finance charges	-	60	-	800	1,354	30	1,324	4414%	2,708
Bulk purchases	60,661	64,961	-	9,639	34,593	29,500	5,093	17%	69,186
Other materials	6,595	3,945	-	594	4,879	1,990	2,889	145%	9,759
Contracted services	36,268	20,550	-	3,788	21,899	9,665	12,234	127%	33,799
Transfers and grants	1,089	2,128	-	282	1,022	1,039	(17)	-2%	2,044
Other expenditure	71,321	60,826	-	5,037	27,611	34,711	(7,100)	-20%	55,223
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	296,338	328,915	-	35,585	159,419	144,173	15,245	11%	300,794
Surplus/(Deficit)	30,421	8,690	-	(26,080)	57,277	72,017	(14,740)	-20%	30,522
Transfers recognised - capital	77,188	75,419	-	(7,895)	34,702	63,519	(28,817)	-45%	75,419
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers	107,609	84,109	-	(33,975)	91,978	135,536			105,941
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	107,609	84,109	-	(33,975)	91,978	135,536			105,941
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipalit	107,609	84,109	-	(33,975)	91,978	135,536			105,941
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	107,609	84,109	-	(33,975)	91,978	135,536			105,941

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 service charges refuse removal, Transfer recognized – operational, fines, and interest earned – external investments, license and permits, and other revenue. In the case of expenditure the following line items reflect material variance; Finance charges, contracted services, other material, bulk purchase 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.

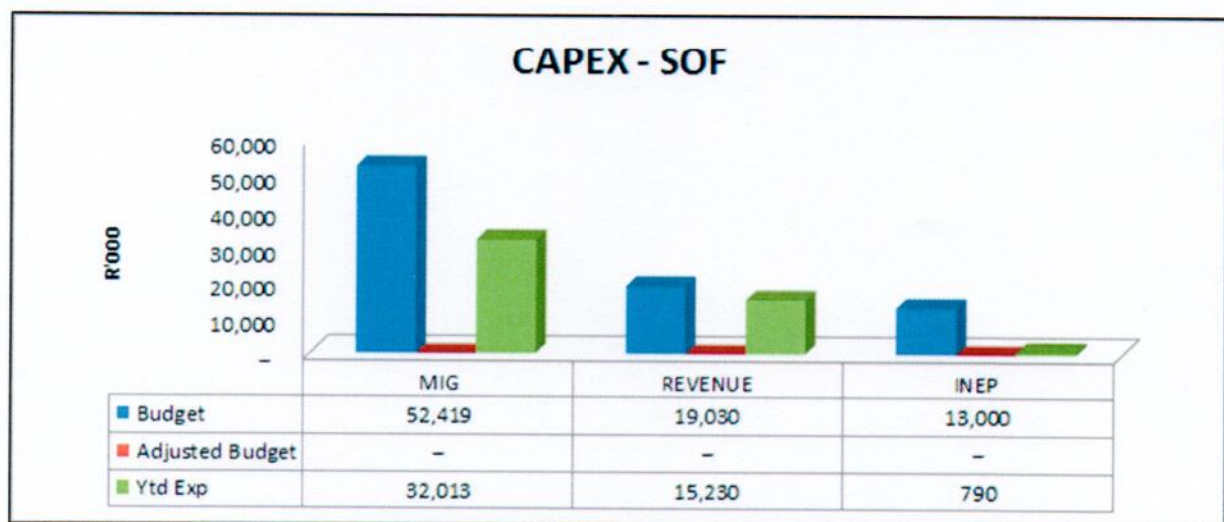
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Capital Expenditure - Standard Classification									
Governance and administration	1,516	650	-	214	1,188	400	788	197%	650
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	1,516	650	-	214	1,188	400	788	197%	650
Community and public safety	77	1,380	-	-	28	900	(872)	-97%	1,380
Community and social services	77	1,200	-	-	28	900	(872)	-97%	1,200
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	180	-	-	-	-	-	-	180
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	85,527	77,019	-	2,885	46,027	66,556	(20,529)	-31%	77,019
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	85,527	77,019	-	2,885	46,027	66,556	(20,529)	-31%	77,019
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	22,597	15,400	-	-	790	12,600	(11,810)	-94%	15,400
Electricity	22,155	14,500	-	-	790	12,600	(11,810)	-94%	14,500
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	442	900	-	-	-	-	-	-	900
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	109,717	94,449	-	3,099	48,033	80,456	(32,422)	-40%	94,449
Funded by:									
National Government	77,102	75,419	-	4,009	32,803	58,436	(25,633)	-44%	75,419
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	77,102	75,419	-	4,009	32,803	58,436	(25,633)	-44%	75,419
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	32,615	19,030	-	(910)	15,230	22,020	(6,790)	-31%	19,030
Total Capital Funding	109,717	94,449	-	3,099	48,033	80,456	(32,422)	-40%	94,449

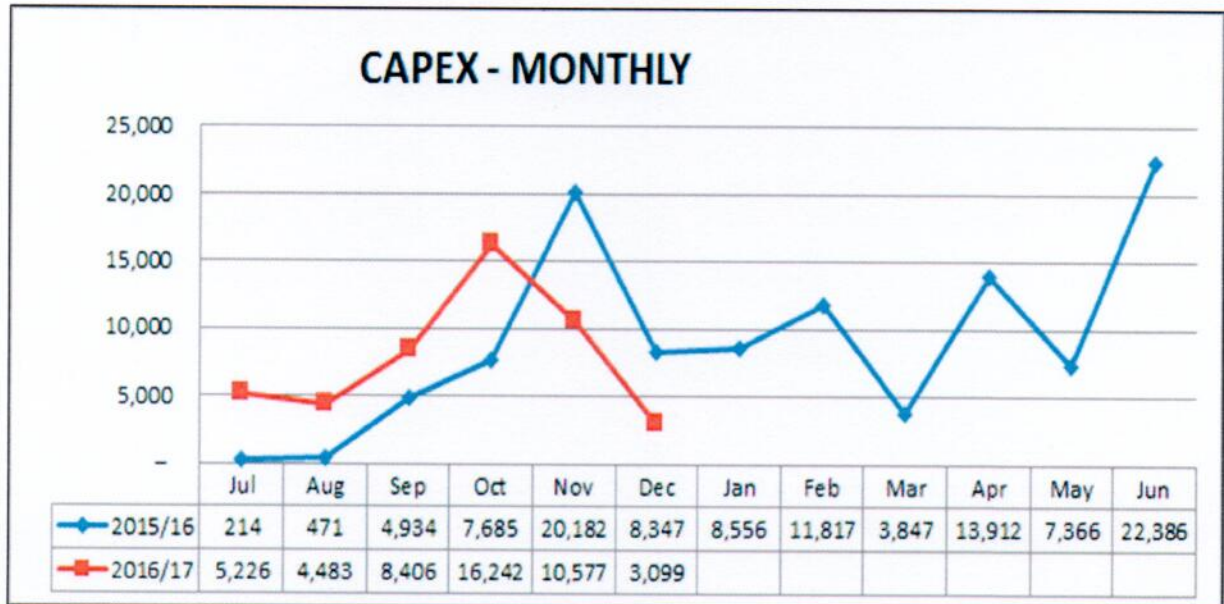
Table C5C: Monthly Capital Expenditure by Vote

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,516	-	-	-	-	-	-	-	-
Vote 5 - Community Services	3,701	600	-	-	28	300	(272)	-91%	600
Vote 6 - Technical Services	67,323	63,619	-	4,846	36,816	55,311	(18,494)	-33%	63,619
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	72,540	64,219	-	4,846	36,844	55,611	(18,766)	-34%	64,219
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	650	-	214	1,188	400	788	197%	650
Vote 5 - Community Services	-	2,180	-	(2,104)	-	600	(600)	-100%	2,180
Vote 6 - Technical Services	37,177	27,400	-	144	10,001	23,845	(13,844)	-58%	27,400
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	37,177	30,230	-	(1,747)	11,189	24,845	(13,656)	-55%	30,230
Total Capital Expenditure	109,717	94,449	-	3,099	48,033	80,456	(32,422)	-40%	94,449

The above two tables, (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of December 2016, R3, 099 million spending was incurred and the year to date expenditure is R48, 033 million whilst the year to date budget is R80, 456 million and this gave rise to unfavorable spending variance of R32, 422 million that translates to 40%.



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



The above graph compares the 2015/16 and 2016/17 monthly capital expenditure performance. The graphs shows performance and/or spending improvement from the month of July to October, and then the spending declined in November and December as compared to 2015/16 capital budget spending pattern.

Table C6: Monthly Budget Statement Financial Position

Description	2015/16	Budget Year 2016/17			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	4,655	3,247	-	16,502	3,247
Call investment deposits	7,040	33,369	-	40,231	33,369
Consumer debtors	23,703	18,947	-	32,379	18,947
Other debtors	16,988	13,855	-	32,665	13,855
Current portion of long-term receivables	-	-	-	-	-
Inventory	3,377	3,000	-	3,136	3,000
Total current assets	55,763	72,418	-	124,913	72,418
Non current assets					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	89,472	89,472	-	93,468	89,472
Investments in Associate	-	-	-	-	-
Property, plant and equipment	858,735	891,663	-	927,134	891,663
Agricultural	-	-	-	-	-
Biological assets	-	-	-	-	-
Intangible assets	640	640	-	323	640
Other non-current assets	10,974	11,698	-	11,404	11,698
Total non current assets	959,821	993,473	-	1,032,329	993,473
TOTAL ASSETS	1,015,584	1,065,891	-	1,157,242	1,065,891
LIABILITIES					
Current liabilities					
Bank overdraft	-	-	-	-	-
Borrowing	8,363	-	-	7,661	-
Consumer deposits	5,115	5,444	-	5,103	5,444
Trade and other payables	45,405	25,000	-	83,993	25,000
Provisions	2,547	1,452	-	492	1,452
Total current liabilities	61,431	31,896	-	97,248	31,896
Non current liabilities					
Borrowing	10,760	6,264	-	4,840	6,264
Provisions	79,310	84,249	-	91,517	84,249
Total non current liabilities	90,070	90,513	-	96,357	90,513
TOTAL LIABILITIES	151,501	122,409	-	193,606	122,409
NET ASSETS	864,083	943,481	-	963,636	943,481
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	864,083	943,481	-	963,636	943,481
Reserves	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	864,083	943,481	-	963,636	943,481

The above table shows that community wealth amounts to R963, 636 million, total liabilities R193, 606 million and the total assets R1, 157 billion.

Table C7: Monthly Budget Statement Cash Flow

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	26,348	22,302	-	1,137	9,493	1,859	7,634	411%	22,302
Service charges	69,020	74,803	-	4,663	39,675	37,401	2,274	6%	74,803
Other revenue	7,100	8,463	-	1,854	4,118	4,231	(113)	-3%	8,463
Government - operating	216,652	213,105	-	-	159,071	159,071	-	-	213,105
Government - capital	63,102	75,419	-	-	55,600	55,600	-	-	75,419
Interest	8,815	5,666	-	309	1,856	2,833	(976)	-34%	5,666
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(294,860)	(278,243)	-	(68,502)	(227,942)	(139,121)	85,521	-61%	(278,243)
Finance charges	-	(60)	-	(800)	(1,354)	(30)	1,324	-4414%	(60)
Transfers and Grants	(1,062)	(2,128)	-	(282)	(1,022)	(1,064)	(42)	4%	(2,128)
NET CASH FROM/(USED) OPERATING ACTIVITIES	95,115	119,326	-	(61,621)	39,495	120,780	77,985	65%	119,326
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1,746	5,000	-	-	-	2,500	(2,500)	-100%	5,000
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(109,717)	(94,449)	-	(3,099)	(48,033)	(47,225)	809	-2%	(94,449)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(107,971)	(89,449)	-	(3,099)	(48,033)	(44,725)	3,309	-7%	(89,449)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	(416)	500	-	(47)	17	250	(233)	-93%	500
Payments									
Repayment of borrowing	-	(9,357)	-	(578)	(2,569)	(4,679)	(2,109)	45%	(9,357)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(416)	(8,857)	-	(625)	(2,552)	(4,429)	(1,877)	42%	(8,857)
NET INCREASE/ (DECREASE) IN CASH HELD	(13,272)	21,020	-	(65,345)	(11,090)	71,627			21,020
Cash/cash equivalents at beginning:	24,967	6,238	-	-	67,823	6,238			67,823
Cash/cash equivalents at month/year end:	11,695	27,259	-	-	56,733	77,865			88,843

Table C7 presents details pertaining to cash flow performance. As at end of December 2016, the net cash inflow from operating activities is R39, 495 million whilst net cash outflow from investing activities is R48, 033 million that is mainly comprised of capital expenditure movement, and cash flow from financing activities is R2, 552 million. The cash and cash equivalent held at end of December 2016 amounted to R56, 733 million and the net effect of the above cash flows is cash outflow movement of R11, 090 million. The cash and cash equivalent at end of the reporting period of R56, 733 million is made up of cash amounting to R16, 502 million and short term investments of R40, 231 million as presented in Table A6 under current assets.

PART 2: SUPPORTING TABLES

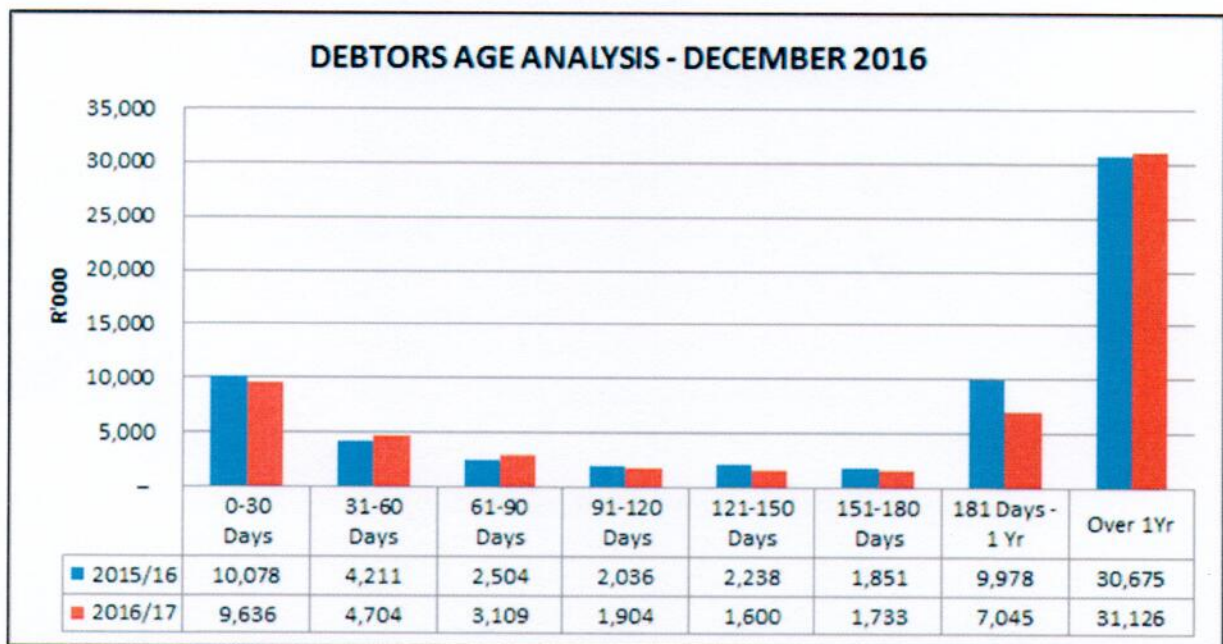
Supporting Table: SC 3 - Debtors Age Analysis

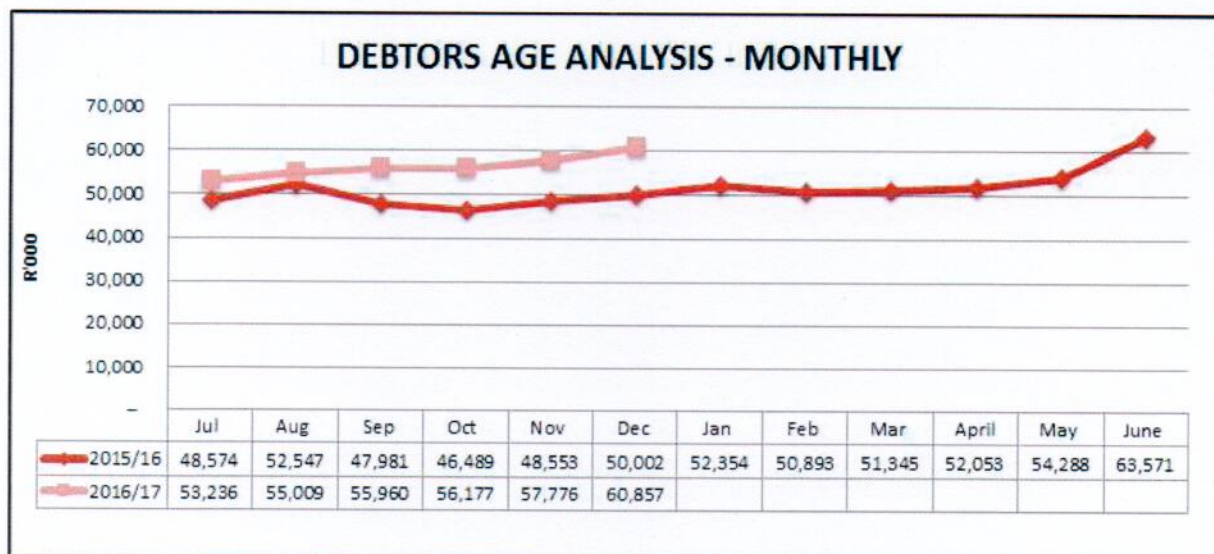
Description	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days 1 Yr	Over 1Yr	Total	Total over 90 days	Bad Debts Written Off	Impairment - Bad Debts
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	5,067	2,398	837	337	273	201	398	1,381	10,892	2,590	-	-
Receivables from Non-exchange Transactions - Property Rates	2,008	1,161	828	669	787	788	3,390	18,885	28,517	24,519	-	-
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	601	448	943	329	37	35	168	1,212	3,772	1,781	-	-
Receivables from Exchange Transactions - Property Rental Debtors	90	44	20	20	26	182	74	890	1,347	1,193	-	-
Interest on Arrear Debtor Accounts	649	604	575	546	526	505	2,716	9,863	15,983	14,155	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	1,222	49	(95)	3	(50)	22	299	(1,105)	346	(830)	-	-
Total By Income Source	9,636	4,704	3,109	1,904	1,600	1,733	7,045	31,126	60,857	43,408	-	-
2015/16 - totals only	10,078	4,211	2,504	2,036	2,238	1,851	9,978	30,675	63,571	46,778	-	-
Debtors Age Analysis By Customer Group												
Organs of State	639	507	467	41	45	29	126	1,021	2,875	1,262	-	-
Commercial	4,152	1,515	357	435	350	400	1,836	5,299	14,343	8,319	-	-
Households	3,225	1,720	1,604	860	574	563	2,563	13,853	24,951	18,403	-	-
Other	1,621	962	681	578	632	740	2,521	10,953	18,688	15,425	-	-
Total By Customer Group	9,636	4,704	3,109	1,904	1,600	1,733	7,045	31,126	60,857	43,408	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of November amount to R60, 857 million. The debtors' book is made up as follows:

- Rates 48.09%
- Electricity 18,65%
- Rental 2,30%
- Refuse removal 5,90%
- Other 1,71%

The debtors' age analysis is graphically presented below.





The initial graph compares debtors' age analysis for 2015/16 financial year and 2016/17 (as at end of December 2016) whilst the latter shows monthly movement of debtors for both the current financial year and the 2015/16 financial year.

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

TOP TWENTY DEBTORS

ACCOUNT NO	ACCOUNT HOLDER NAME	STATUS	TYPE	ERF NO	OUT BALANCE	REMARKS
9900067	WATER PURIFICATION PLANT (SDM)	ACTIVE	OCCUPIER	'00 00000010000000 0000	1,051,054	60 day, the payment was forwarded to Sekhukhune District Municipality for payment.
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	'90 000000260000RG0000	746,007	At final stage for settlement through lawyers
1501364	JAN JOUBERT TR (JO JO TANKS)	ACTIVE	OWNER	'15 00000178000000000000	336,484	30 days
6000908	DEPARTMENT OF EDUCATION	ACTIVE	OWNER	'60 00000082200000 0000	303,316	At Provincial Debt Forum level
9000000	REPUBLIEK VAN SUID-AFRIKA	ACTIVE	OWNER	'90 00000001200000 0000	300,891	At Provincial Debt Forum level
9001077	ROYAL SQUARE INV 361 CC	ACTIVE	OWNER	'90 00000017700000 0000	268,330	Handed-over
9001035	NDEBELE MAHLANGU TRIBE	ACTIVE	OWNER	'90 00000012900000 0000	253,064	Arrangement were made to settlement
2913	SHOPRITE/CHECKERS	ACTIVE	OCCUPIER	'00 00000010000001 0000	235,576	Handed-over
1200305	BUNGELA LAMOLA BOTTLE STORE	ACTIVE	OCCUPIER	'12 00000076800000 0000	229,480	30 days
9000804	NATIONAL GOVERNMENT RSA	ACTIVE	OWNER	'90 00000005600002 0000	228,851	At Provincial Debt Forum level
201885	SHOPRITE CHECKERS (PTY) LTD	ACTIVE	OCCUPIER	'02 00000098400000 0000	224,083	30 days
9001052	NDEBELE STAM	ACTIVE	OWNER	'90 00000015300000 0000	218,096	Handed-over
9000628	LANDBOUNAVORSINGSRAAD	ACTIVE	OWNER	'90 00000005300111 0000	214,806	Handed-over
9001039	NDEBELE MAHLANGU TRIBE	ACTIVE	OWNER	'90 00000013300000 0000	205,519	Handed-over
9001055	NDEBELE STAM	ACTIVE	OWNER	'90 00000015700000 0000	201,724	Handed-over
9001050	NDEBELE STAM	ACTIVE	OWNER	'90 00000015100000 0000	190,577	Handed-over
214913	MEAT SPOT	ACTIVE	OCCUPIER	'02 00000025100007 0000	188,857	30 days
400383	BEN J A FAMILIE TRUST JAFAMILIET	ACTIVE	OWNER	'04 00000036000000000000	187,987	Handed-over
506535	BUMAZI PROPERTIES C/O BFW METERING	ACTIVE	OCCUPIER	'05 00000048900003 0000	187,174	30 days
9001550	Lehlakony Communal Prop. Ass	ACTIVE	OWNER	'90 00000018900000 0000	177,670	Handed-over

Supporting Table: SC 4 - Creditors Age Analysis

Description	NT Code	Budget Year 2016/17								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-

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

TOP TWENTY CREDITORS PAID

CODE	CREDITOR NAME	AMOUNT
41079	SHIRDO TRADING	1,367,365
00512	PATRICK MAKGOKA CONSTRUCTION	1,357,444
41048	IMBAWULA TRADING ENTERPRISE CC	806,489
41094	KGWADI YA MADIBA JV BIG ROCK	656,598
00777	VISION PRINT GRAPHICS & DESIGN	399,342
37711	BAUPA TRADING ENTERPRISE	398,007
41046	BETSEKGADI COMMUNITY PROJECTS	261,823
00464	MOLELEKI A TLALA TRANSPORT AND	141,598
32409	MAKGONATSOHLE TRADING ENTERPRISE	81,873
35510	MAGAUTA RECRUITMENT	72,261
40059	MUNEI CONSULTING AND PROJECTS	66,586
37617	DITHEBELE LE MMAKOBO TRAVEL	29,845
80470	MKHALANGANA INVESTMENTS	29,200
80163	MOBOFA TRADING SERVICES (PTY)	28,750
80067	EXILA TRAVEL CENTRE	28,270
80097	KEABETSE HUNADING (PTY) LTD	28,000
40061	SETSHEPI SA TSWANE TRADING	27,905
41103	THABANG KUTLWANO TRADING	27,300
35371	MOON AND EARTH TRADING AND PRO	26,500
41098	EMVUZO PROPERTY (PTY) LTD	24,000
TOTAL		5,859,156

The above table presents the top twenty creditors paid during the month of December 2016 and an amount of R5, 859 million was paid to these creditors during the reporting period.

Supporting Table: SC 5 - Investment Portfolio

Investments	Period of Investment	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
Municipality								
Nedbank	1 Month	Short term	12/31/2016	0	7.6%	54	-	54
Absa - MIG	1 Month	Short term	12/31/2016	0	4.7%	4	0	4
Absa Call Account	1 Month	Short term	12/31/2016	0	5.0%	3	-	3
VBS Mutual Bank	1 Month	Short term	12/31/2016	170	8.0%	-	40,000	40,170
Total Investments				170		61	40,000	40,231

Supporting table SC5 presents all investments that indicate that the total amount of R40, 231 million had been invested as at end of December 2016. The opening balance was R61 thousand, and an amount of R60 million was invested in December, of which R20 million was withdrawn in the same month. Accrued interest for the month amounted to R170 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

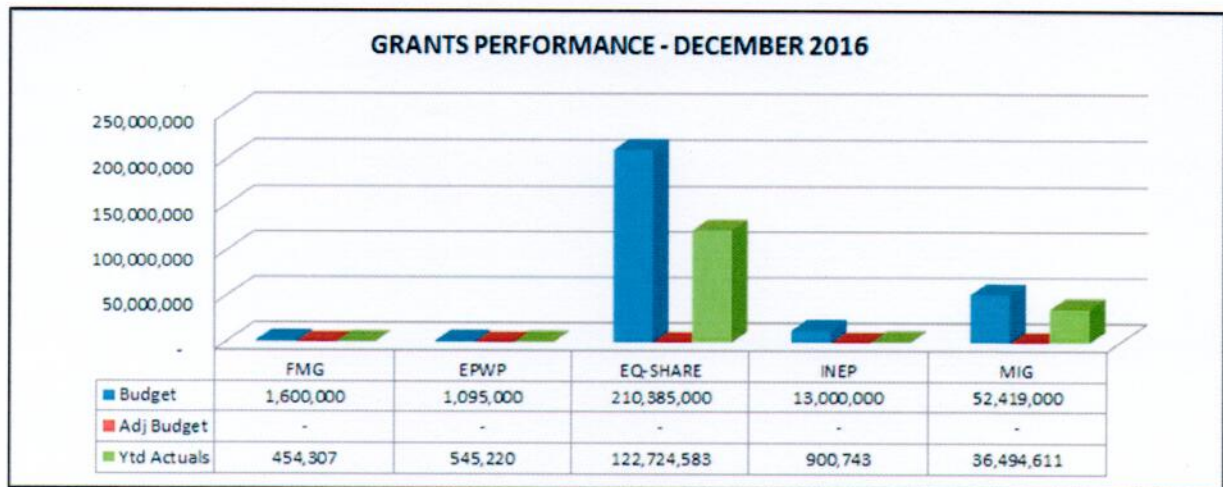
Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	216,641	213,105	-	-	159,071	157,813	-	-	213,105
Local Government Equitable Share	212,948	210,385	-	-	156,680	156,680	-	-	210,385
Finance Management	1,600	1,625	-	-	1,625	677	-	-	1,625
Municipal Systems Improvement	930	-	-	-	-	-	-	-	-
EPWP Incentive	1,163	1,095	-	-	766	456	-	-	1,095
Other transfers and grants [insert description]									
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]									
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	216,641	213,105	-	-	159,071	157,813	-	-	213,105
Capital Transfers and Grants									
National Government:	63,102	75,419	-	-	55,600	55,600	-	-	75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	-	-	46,600	46,600	-	-	62,419
Integrated National Electrification Grant	10,000	13,000	-	-	9,000	9,000	-	-	13,000
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	63,102	75,419	-	-	55,600	55,600	-	-	75,419
TOTAL RECEIPTS OF TRANSFERS & GRANTS	279,743	288,524	-	-	214,671	213,413	-	-	288,524

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R214, 671 million of which the major portion is attributed to equitable share. Nothing was allocated to be received in December and as a result, all the grants allocated for the current financial year have been received as gazetted.

Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	216,641	213,105	-	17,692	123,724	106,553	(17,172)	-16%	213,105
Local Government Equitable Share	212,948	210,385	-	17,532	122,725	105,193	(17,532)	-17%	210,385
Finance Management	1,600	1,625	-	42	454	813	358	44%	1,625
Municipal Systems Improvement	930	-	-	-	-	-	-	-	-
EPWP Incentive	1,163	1,095	-	118	545	548	2	0%	1,095
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	216,641	213,105	-	17,692	123,724	106,553	(17,172)	-16%	213,105
Capital expenditure of Transfers and Grants									
National Government:	63,102	75,419	-	4,570	37,395	58,436	21,040	36%	75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	-	4,570	36,495	51,936	15,441	30%	62,419
Integrated National Electrification Grant	10,000	13,000	-	-	901	6,500	5,599	86%	13,000
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	63,102	75,419	-	4,570	37,395	58,436	21,040	36%	75,419
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	279,743	288,524	-	22,261	161,119	164,988	3,869	2%	288,524

An amount of R22, 261 million has been spent on grants during the month of December 2016 and the year to date actuals is R161, 119 million whilst the year to date budget amounts to R164, 988 million and this results in spending variance of R3, 869 that translates to 2%. Of the total spending R17, 692 million is spent from operational grant whilst R4, 570 million is spent from capital grant (i.e. MIG). All the Grants are under-spending when comparing the year to date actuals with the projected budget thereof, except equitable shares and EPWP.



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

- Financial Management Grant 28.39%
- Expanded Public Work Programme 49.79%
- Equitable Share 58.33%
- Municipal Infrastructure Grant 69.62%
- Integrated National Electrification Grant 6.93%

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Description	2015/16		Budget Year 2016/17						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	12,625	13,424	-	941	6,104	6,712	(609)	-9%	13,424
Pension and UIF Contributions	1,076	1,080	-	137	775	540	234	43%	1,080
Medical Aid Contributions	339	275	-	19	127	138	(10)	-8%	275
Motor Vehicle Allowance	3,983	4,000	-	365	2,223	2,000	223	11%	4,000
Cellphone Allowance	1,615	-	-	124	283	-	283	0%	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	128	-	-	-	64	(64)	-100%	128
Sub Total - Councillors	19,638	18,908	-	1,586	9,511	9,454	57	1%	18,908
% increase		-4%							-4%
Senior Managers of the Municipality									
Basic Salaries and Wages	4,473	5,706	-	435	3,944	2,853	1,091	38%	5,706
Pension and UIF Contributions	362	496	-	32	274	248	26	11%	496
Medical Aid Contributions	169	86	-	7	67	43	24	55%	86
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	718	793	-	56	505	397	108	27%	793
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	283	71	-	178	198	35	163	461%	71
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	6,005	7,153	-	709	4,988	3,576	1,412	39%	7,153
% increase		19%							19%
Other Municipal Staff									
Basic Salaries and Wages	63,381	67,914	-	5,602	33,437	33,957	(520)	-2%	67,914
Pension and UIF Contributions	12,228	13,194	-	1,148	6,850	6,597	253	4%	13,194
Medical Aid Contributions	3,565	3,869	-	345	1,928	1,935	(7)	0%	3,869
Overtime	2,589	1,060	-	94	1,151	530	621	117%	1,060
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	5,437	7,693	-	627	3,648	3,846	(198)	-5%	7,693
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	137	158	-	12	81	79	2	2%	158
Other benefits and allowances	6,083	6,458	-	5,278	5,790	3,229	2,561	79%	6,458
Payments in lieu of leave	502	1,060	-	45	563	530	33	6%	1,060
Long service awards	841	494	-	-	113	247	(134)	-54%	494
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	94,763	101,900	-	13,150	53,560	50,950	2,610	5%	101,900
% increase		8%							8%
Total	120,405	127,962	-	15,445	68,059	63,981	4,078	6%	127,962
Total - % Increase		6%							6%

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for December 2016 amounts to R15, 445 million and the year to date expenditure is R68, 059 million and the expenditure for remuneration of councillors for the month amounts to R 1, 586 million while the year to date actual expenditure is R9, 511 and the year to date budget is R9, 454 million giving rise to over spending variance of R57 thousand that translates to 1%.

Description	Budget Year 2016/17												2016/17 Medium Term Revenue and Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2016/17	Budget Year 2017/18	Budget Year +2 2018/19	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2016/17	2017/18	2018/19	
Cash Receipts By Source																
Property rates	1,263	1,471	1,340	1,940	1,407	1,137	1,859	1,859	1,859	1,859	4,451	4,451	22,302	23,685	25,083	
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - electricity revenue	6,778	4,328	5,763	6,142	5,459	4,443	5,465	5,517	6,597	6,628	3,646	3,646	68,195	72,423	76,596	
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse	283	273	254	292	246	220	551	551	551	551	2,287	2,287	6,608	7,017	7,431	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	44	82	46	116	90	67	71	71	71	71	50	50	848	901	954	
Interest earned - external investments	398	311	274	94	29	193	360	350	360	381	708	381	3,829	4,066	4,306	
Interest earned - outstanding debtors	182	146	98	124	73	116	153	153	153	153	331	331	1,837	1,951	2,066	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines	18	80	44	17	7	23	41	30	18	48	26	26	403	428	453	
Licences and permits	427	-	347	442	375	302	422	422	422	422	1,059	1,059	5,060	5,373	5,591	
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer receipts - operating	87,660	1,899	-	-	69,286	1,462	-	329	52,596	-	1,335	1,335	213,105	227,853	243,113	
Other revenue	936	992	21	3,169	65	1,462	134	212	174	174	(5,203)	(5,203)	2,152	2,285	2,420	
Cash Receipts by Source	97,989	9,592	8,188	12,335	77,078	7,963	9,044	9,492	62,800	10,289	8,690	8,690	324,338	345,983	368,213	
Other Cash Flows by Source																
Transfer receipts - capital	22,000	2,296	4,693	5,200	28,400	20,257	-	2,730	19,198	-	-	-	75,419	66,212	69,386	
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	5,000	-	-	
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Increase in consumer deposits	22	36	2	5	0	(47)	14	30	12	14	18	385	500	531	562	
Receipt of non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source	120,011	11,915	12,883	17,540	105,478	28,172	9,058	12,252	82,010	10,303	(15,269)	(15,269)	405,257	412,726	438,161	
Cash Payments by Type																
Employee related costs	8,307	10,207	8,705	8,782	8,644	13,858	8,734	8,514	8,516	8,544	7,750	7,750	109,053	115,814	122,648	
Remuneration of councillors	1,615	1,667	1,478	1,580	1,584	1,586	1,576	1,576	1,576	1,576	1,576	1,576	18,908	20,081	21,265	
Interest paid	219	-	335	-	-	800	-	-	-	-	(1,294)	(1,294)	60	12	-	
Bulk purchases - Electricity	7,265	7,426	5,587	71	4,604	9,639	5,461	5,000	6,000	6,000	1,907	1,907	64,961	68,988	73,059	
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other materials	317	2,303	401	391	872	594	441	136	480	197	266	266	3,945	4,190	4,437	
Contracted services	3,766	4,051	7,239	2,252	804	3,788	2,328	1,378	2,498	1,428	1,628	1,628	20,550	18,638	19,738	
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grants and subsidies paid - other	56	196	167	180	101	282	152	227	152	252	170	170	2,128	2,260	2,393	
General expenses	7,325	4,243	5,910	4,567	27,192	5,037	5,087	6,017	4,513	4,661	(18,601)	(18,601)	60,826	60,495	61,379	
Cash Payments by Type	28,910	30,093	29,823	17,824	43,801	35,585	23,777	22,847	23,734	22,657	22,988	(21,609)	280,431	290,479	304,918	
Other Cash Flows/Payments by Type																
Capital assets	5,226	4,483	8,406	17,022	10,577	3,099	4,095	1,735	1,628	1,520	200	200	94,449	80,212	87,886	
Repayment of borrowing	800	-	701	-	-	578	780	780	780	780	3,379	3,379	9,357	6,264	-	
Other Cash Flows/Payments	14,031	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Payments by Type	48,967	34,576	38,930	34,846	54,379	39,262	28,652	25,362	26,142	24,957	23,968	4,196	384,237	376,955	392,804	
NET INCREASE/DECREASE IN CASH HELD	71,044	(26,661)	(26,047)	(17,306)	(51,099)	(11,090)	(19,594)	(13,109)	(55,868)	(14,655)	(13,063)	(19,465)	21,020	35,771	45,357	
Cash/cash equivalents at the month/year beginning	11,695	82,739	60,078	34,031	16,724	67,823	56,733	37,139	24,030	79,898	65,244	52,181	11,695	32,716	68,487	
Cash/cash equivalents at the month/year end	82,739	60,078	34,031	16,724	67,823	56,733	37,139	24,030	79,898	65,244	52,181	32,716	32,716	68,487	113,843	

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly cash receipts reflect an amount of R 105, 478 million and the total cash payment for the month were R54 , 379 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Percentage
Monthly expenditure									
July	214	15,914	-	5,226	5,226	15,914	10,688	67%	6%
August	471	19,478	-	4,483	9,709	35,392	25,683	73%	10%
September	4,934	14,244	-	8,406	18,115	49,636	31,521	64%	19%
October	7,685	8,854	-	16,242	34,357	58,491	24,134	41%	36%
November	20,182	14,023	-	10,577	44,934	72,514	27,580	38%	48%
December	8,347	7,942	-	3,099	48,033	80,456	32,422	40%	51%
January	8,556	5,595	-			86,051	-		
February	11,817	1,735	-			87,786	-		
March	3,847	1,628	-			89,414	-		
April	13,912	3,520	-			92,934	-		
May	7,366	200	-			93,134	-		
June	22,386	1,315	-			94,449	-		
Total	109,717	94,449	-	48,033					

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of December amounts to R3, 099 million. The capital budget spending is way below the projected spending for December and this resulted in the spending projection target not being achieved.

In terms of the budget projection for the month, the spending was anticipated to be at R80, 456 million and at least R48, 033 million was actually spent. This reflects under spending variance of 40%.

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

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Capital expenditure on new assets									
Infrastructure	77,040	36,500	-	883	21,036	33,645	12,609	37%	36,500
Infrastructure - Road transport	55,743	23,000	-	883	20,246	22,245	1,999	9%	23,000
Roads, Pavements & Bridges	52,130	23,000	-	883	20,246	22,245	1,999	9%	23,000
Storm water	3,613	-	-	-	-	-	-	-	-
Infrastructure - Electricity	21,297	13,000	-	-	790	11,100	10,310	93%	13,000
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	14,156	13,000	-	-	790	11,100	10,310	93%	13,000
Street Lighting	7,141	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	500	-	-	-	300	300	100%	500
Waste Management	-	500	-	-	-	300	300	100%	500
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	700	-	-	-	350	350	100%	700
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	600	-	-	-	300	300	100%	600
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	100	-	-	-	50	50	100%	100
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	857	4,530	-	214	3,468	3,465	(3)	0%	4,530
General vehicles	-	2,500	-	-	2,253	2,500	247	10%	2,500
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	350	-	214	1,086	175	(911)	-521%	350
Furniture and other office equipment	-	300	-	-	102	100	(2)	-2%	300
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	857	1,380	-	-	28	690	662	96%	1,380
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	77,898	41,730	-	1,097	24,505	37,460	12,955	35%	41,730

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

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Capital expenditure on renewal of existing assets									
Infrastructure	24,351	41,219	-	4,605	22,984	36,511	13,527	37%	41,219
Infrastructure - Road transport	23,064	39,719	-	4,605	22,984	35,011	12,027	34%	39,719
Roads, Pavements & Bridges	23,064	39,719	-	4,605	22,984	35,011	12,027	34%	39,719
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	532	1,500	-	-	-	1,500	1,500	100%	1,500
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	532	1,500	-	-	-	1,500	1,500	100%	1,500
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	755	-	-	-	-	-	-	-	-
Waste Management	755	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	10,000	-	-	-	5,485	5,485	100%	10,000
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	10,000	-	-	-	5,485	5,485	100%	10,000
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	7,469	1,500	-	(2,603)	545	1,000	455	46%	1,500
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	623	-	-	-	-	-	-	-	-
Furniture and other office equipment	537	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	77	-	-	-	-	-	-	-	-
Other Buildings	5,876	1,500	-	(2,603)	545	1,000	455	46%	1,500
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	356	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	31,820	52,719	-	2,002	23,529	42,996	19,467	45%	52,719

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

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Repairs and maintenance expenditure									
Infrastructure	3,093	7,450	-	260	1,376	3,725	2,349	63%	7,450
Infrastructure - Road transport	883	3,300	-	159	211	1,650	1,439	87%	3,300
Roads, Pavements & Bridges	883	3,300	-	159	211	1,650	1,439	87%	3,300
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	1,001	1,800	-	101	833	900	67	7%	1,800
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	1,001	1,800	-	101	833	900	67	7%	1,800
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	1,209	2,350	-	-	332	1,175	843	72%	2,350
Waste Management	1,209	2,350	-	-	332	1,175	843	72%	2,350
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	5,599	6,765	-	546	4,148	3,383	(766)	-23%	6,765
General vehicles	1,427	1,300	-	59	937	650	(287)	-44%	1,300
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	2,749	1,500	-	96	989	750	(239)	-32%	1,500
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	1,154	2,500	-	325	2,107	1,250	(857)	-69%	2,500
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	269	1,465	-	66	116	733	616	84%	1,465
Intangibles	9	500	-	5	10	250	240	96%	500
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	9	500	-	5	10	250	240	96%	500
Total Repairs and Maintenance Expenditure	8,701	14,715	-	811	5,534	7,358	1,823	25%	14,715

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

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure	-	32,638	-	-	-	-	-	-	32,638
Infrastructure - Road transport	-	27,435	-	-	-	-	-	-	27,435
Roads, Pavements & Bridges	-	22,710	-	-	-	-	-	-	22,710
Storm water	-	4,725	-	-	-	-	-	-	4,725
Infrastructure - Electricity	-	3,903	-	-	-	-	-	-	3,903
Generation	-	2,328	-	-	-	-	-	-	2,328
Transmission & Reticulation	-	1,575	-	-	-	-	-	-	1,575
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	1,300	-	-	-	-	-	-	1,300
Waste Management	-	1,300	-	-	-	-	-	-	1,300
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	2,145	-	-	-	-	-	-	2,145
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	2,145	-	-	-	-	-	-	2,145
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	-	1,014	-	-	-	-	-	-	1,014
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	854	-	-	-	-	-	-	854
Computers - hardware/equipment	-	20	-	-	-	-	-	-	20
Furniture and other office equipment	-	25	-	-	-	-	-	-	25
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	100	-	-	-	-	-	-	100
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	15	-	-	-	-	-	-	15
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Depreciation	-	35,797	-	-	-	-	-	-	35,797

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 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 R24, 505 million and the year to date budget is R37, 460 million which reflects under spending variance of R12, 955 million that translates to 35% variance. The year to date actuals on renewal of existing assets amounts R23, 529 million with the year to date budget of R42, 996 million and this reflects under spending variance of R19, 467 million that translates to 45% variance.

The year to date actual expenditure on repairs and maintenance is R5, 534 million and the year to date budget is R7, 358 million, reflecting under spending variance of R1, 823 million that translates to 25%.

The depreciation and asset impairment is only projected to have movement at year end and hence the zero year to date actuals and budget thereof. This is basically attributed to unavailability of monthly depreciation figures and the absence of a link between asset management system and core financial system, however the municipality is working towards linking the two systems.

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 December 2016 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature *Elias Motsoaledi*
Local Municipality

Date *16/1/2017* 16 JAN 2017

Municipal Manager