

ELIAS MOTSOALEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

OCTOBER 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	-	1,987	8,116	7,994	123	2%	23,981
Service charges	69,462	81,102	-	6,771	24,630	27,034	(2,404)	-9%	81,102
Investment revenue	3,780	3,829	-	106	1,159	1,276	(117)	-9%	3,829
Transfers recognised - operational	216,641	213,105	-	155	88,234	71,035	17,199	24%	213,105
Other own revenue	14,480	15,589	-	1,702	5,550	5,196	354	7%	15,589
Total Revenue (excluding capital and contributions)	326,769	337,606	-	10,722	127,690	112,535	15,155	13%	337,606
Employee costs	100,770	109,053	-	8,782	36,026	36,351	(325)	-1%	109,053
Remuneration of Councillors	19,638	18,908	-	1,580	6,341	6,303	38	1%	18,908
Depreciation & asset impairment	-	35,796	-	-	-	11,932	(11,932)	-100%	35,796
Finance charges	-	60	-	-	554	20	534	2672%	60
Materials and bulk purchases	67,255	68,906	-	463	23,763	22,969	794	3%	68,906
Transfers and grants	1,089	2,128	-	180	639	709	(71)	-10%	2,128
Other expenditure	107,587	94,063	-	5,148	35,858	31,354	4,503	14%	94,063
Total Expenditure	296,338	328,915	-	16,153	103,181	109,638	(6,458)	-6%	328,915
Surplus/(Deficit)	30,421	8,690	-	(5,431)	24,510	(25,237)	49,747	-197%	8,690
Transfers recognised - capital	77,188	75,419	-	17,022	26,844	25,140	1,704	7%	75,419
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital & contributions	107,609	84,109	-	11,591	51,354	(97)	51,451	-52879%	84,109
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	107,609	84,109	-	11,591	51,354	(97)	51,451	-52879%	84,109
Capital expenditure & funds sources									
Capital expenditure	109,717	94,449	-	16,242	34,357	31,483	2,874	9%	94,449
Capital transfers recognised	77,102	75,419	-	13,030	21,620	25,140	(3,519)	-14%	75,419
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	32,615	19,030	-	3,211	12,737	6,343	6,393	101%	19,030
Total sources of capital funds	109,717	94,449	-	16,242	34,357	31,483	2,874	9%	94,449
Financial position									
Total current assets	55,763	72,418	-	-	81,261	-	-	-	72,418
Total non current assets	959,821	993,473	-	-	1,014,759	-	-	-	993,473
Total current liabilities	61,431	31,896	-	-	75,090	-	-	-	31,896
Total non current liabilities	90,070	90,513	-	-	108,097	-	-	-	90,513
Community wealth/Equity	864,083	943,481	-	-	912,833	-	-	-	943,481
Cash flows									
Net cash from (used) operating	95,115	119,326	-	1,307	19,758	39,775	20,017	50%	119,326
Net cash from (used) investing	(107,971)	(89,449)	-	(17,022)	(35,138)	(29,816)	5,321	-18%	(89,449)
Net cash from (used) financing	(416)	(8,857)	-	5	(1,927)	(2,952)	(1,026)	35%	(8,857)
Cash/cash equivalents at the month/year end	11,695	27,259	-	-	16,724	13,245	(3,479)	-26%	55,051
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	9,612	3,379	2,042	2,001	1,162	1,254	7,089	29,632	56,177
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 October 2016 is R127, 690 million and the year to date budget of R112, 535 million and this reflects a positive variance of R15, 155 million that is attributed to disbursement of equitable share that is unconditional grant and as a result, get recognized as revenue immediately. Some major revenue item categories reflect a negative variance as presented below except other revenue, transfer recognized operational,

Property rates, Rental of facilities, License and Permits, interest earned – outstanding Debtors and License and permits:

- Service Charges – Electricity Revenue: 9% unfavorable variance
- Service Charges – Refuse Revenue: 10% unfavorable variance
- Fines: 27% unfavorable variance
- Interest Earned on external Investment 4% unfavorable variance
- Fines: 24% unfavorable variance.

Operating Expenditure

The year to date operational expenditure as at end of October amounts to R103, 181 million and the year to date budget is R109, 638 million. This reflects a unfavorable variance of R6, 458 million (6%). 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 (2672%), Transfer and grants percentage (10%) is due to some pertinent transaction being classified as revenue forgone as opposed to transfer and grants, contracted services of (153%) is undue reliance on service providers, other material with (160%) is due to payment of signage and camera that where put around town and municipal buildings

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

Capital Expenditure

The year to date actual capital expenditure as at end of October 2016 amounts to R34, 357 million and the year to date budget amounts to R31 483 million, giving rise to 9% favorable spending variance for the month under review.

Surplus/Deficit

Taking the above into consideration, the surplus for the month is R13, 705 million; and year to date actuals; the municipality has realized the surplus amounting to R39, 762.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of October 2016 amounts to R56, 117 million and this shows an increase of R2, 285 Million as compared to R53, 832 million as at end of 2015/16 financial year.

Consumer debtors are made up of service charges and property rates and other debtors.

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	-	2,714	99,371	82,210	17,161	21%	246,631
Executive and council	930	-	-	-	-	-	-	-	-
Budget and treasury office	247,871	246,619	-	2,711	99,365	82,206	17,159	21%	246,619
Corporate services	6	11	-	3	6	4	2	57%	11
Community and public safety	1,216	1,384	-	67	342	461	(120)	-26%	1,384
Community and social services	34	39	-	3	13	13	0	2%	39
Sport and recreation	1	3	-	-	-	1	(1)	-100%	3
Public safety	1,181	1,342	-	64	328	447	(119)	-27%	1,342
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	74,461	70,558	-	13,630	25,630	23,519	2,110	9%	70,558
Planning and development	1,186	1,167	-	635	733	389	344	89%	1,167
Road transport	73,275	69,391	-	12,995	24,896	23,130	1,766	8%	69,391
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	79,462	94,452	-	11,333	29,192	31,484	(2,292)	-7%	94,452
Electricity	75,779	86,328	-	10,114	26,861	28,776	(1,915)	-7%	86,328
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	3,684	8,124	-	1,218	2,330	2,708	(377)	-14%	8,124
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	403,947	413,025	-	27,744	154,534	137,675	16,859	12%	413,025
Expenditure - Standard									
Governance and administration	139,984	158,368	-	9,617	50,700	52,789	(2,089)	-4%	158,368
Executive and council	48,529	45,635	-	3,516	17,501	15,212	2,289	15%	45,635
Budget and treasury office	46,937	71,054	-	2,621	18,117	23,685	(5,567)	-24%	71,054
Corporate services	44,518	41,679	-	3,480	15,082	13,893	1,189	9%	41,679
Community and public safety	20,793	23,423	-	1,580	6,665	7,808	(1,143)	-15%	23,423
Community and social services	8,856	9,521	-	700	2,747	3,174	(427)	-13%	9,521
Sport and recreation	708	1,431	-	30	422	477	(55)	-12%	1,431
Public safety	11,230	12,470	-	850	3,495	4,157	(661)	-16%	12,470
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	50,859	50,267	-	3,130	16,920	16,756	165	1%	50,267
Planning and development	8,403	10,031	-	395	1,597	3,344	(1,746)	-52%	10,031
Road transport	42,456	40,236	-	2,736	15,323	13,412	1,911	14%	40,236
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	84,702	96,858	-	1,826	28,896	32,286	(3,390)	-11%	96,858
Electricity	65,619	78,171	-	568	22,273	26,057	(3,784)	-15%	78,171
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	19,083	18,687	-	1,258	6,623	6,229	394	6%	18,687
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	296,338	328,915	-	16,153	103,181	109,638	(6,458)	-6%	328,915
Surplus/ (Deficit) for the year	107,609	84,109	-	11,591	51,354	28,036	23,317	83%	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	-	2,711	99,365	82,206	17,159	20.9%	246,619
Vote 4 - Corporate Services	6	11	-	3	6	4	2	57.0%	11
Vote 5 - Community Services	9,752	14,568	-	1,727	4,359	4,856	(497)	-10.2%	14,568
Vote 6 - Technical Services	144,201	150,659	-	22,668	50,071	50,220	(149)	-0.3%	150,659
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	1,186	1,167	-	635	733	389	344	88.5%	1,167
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	403,947	413,025	-	27,744	154,534	137,675	16,859	12.2%	413,025
Expenditure by Vote									
Vote 1 - Executive & Council	31,709	27,109	-	2,001	8,547	9,036	(489)	-5.4%	27,109
Vote 2 - Office of the Municipal Manager	19,783	18,526	-	1,514	8,954	6,175	2,778	45.0%	18,526
Vote 3 - Budget & Treasury	46,937	71,054	-	2,621	18,117	23,685	(5,567)	-23.5%	71,054
Vote 4 - Corporate Services	20,284	27,391	-	1,924	9,336	9,130	206	2.3%	27,391
Vote 5 - Community Services	44,723	47,723	-	3,243	14,800	15,908	(1,107)	-7.0%	47,723
Vote 6 - Technical Services	103,228	112,793	-	2,898	36,083	37,598	(1,515)	-4.0%	112,793
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	5,440	10,031	-	395	1,597	3,344	(1,746)	-52.2%	10,031
Vote 9 - Executive Support	24,234	14,288	-	1,557	5,746	4,763	983	20.6%	14,288
Total Expenditure by Vote	296,338	328,915	-	16,153	103,181	109,638	(6,458)	-5.9%	328,915
Surplus/ (Deficit) for the year	107,609	84,109	-	11,591	51,354	28,036	23,317	83.2%	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
Revenue By Source									
Property rates	22,395	23,981	-	1,987	8,116	7,994	123	2%	23,981
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	65,779	73,328	-	5,553	22,300	24,443	(2,143)	-9%	73,328
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	3,684	7,774	-	1,218	2,330	2,591	(261)	-10%	7,774
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	841	912	-	64	616	304	312	103%	912
Interest earned - external investments	3,780	3,829	-	106	1,159	1,276	(117)	-9%	3,829
Interest earned - outstanding debtors	5,872	6,123	-	572	2,042	2,041	0	0%	6,123
Dividends received	-	-	-	-	-	-	-	-	-
Fines	1,178	1,342	-	64	328	447	(119)	-27%	1,342
Licences and permits	4,852	5,060	-	442	1,687	1,687	0	0%	5,060
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	216,641	213,105	-	155	88,234	71,035	17,199	24%	213,105
Other revenue	1,737	2,152	-	560	877	717	160	22%	2,152
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital and contributions)	326,759	337,606	-	10,722	127,690	112,535	15,155	13%	337,606
Expenditure By Type									
Employee related costs	100,770	109,053	-	8,782	36,026	36,351	(325)	-1%	109,053
Remuneration of councillors	19,638	18,908	-	1,580	6,341	6,303	38	1%	18,908
Debt impairment	(2)	12,688	-	-	-	4,229	(4,229)	-100%	12,688
Depreciation & asset impairment	-	35,796	-	-	-	11,932	(11,932)	-100%	35,796
Finance charges	-	60	-	-	554	20	534	2672%	60
Bulk purchases	60,661	64,961	-	71	20,350	21,654	(1,304)	-6%	64,961
Other materials	6,595	3,945	-	391	3,413	1,315	2,098	160%	3,945
Contracted services	36,268	20,550	-	2,252	17,308	6,850	10,458	153%	20,550
Transfers and grants	1,089	2,128	-	180	639	709	(71)	-10%	2,128
Other expenditure	71,321	60,826	-	2,896	18,550	20,275	(1,725)	-9%	60,826
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	296,338	328,915	-	16,153	103,181	109,638	(6,458)	-6%	328,915
Surplus/(Deficit)	30,421	8,690	-	(5,431)	24,510	(25,237)	49,747	(0)	8,690
Transfers recognised - capital	77,188	75,419	-	17,022	26,844	25,140	1,704	0	75,419
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital & contributions	107,609	84,109	-	11,591	51,354	(97)			84,109
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	107,609	84,109	-	11,591	51,354	(97)			84,109
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	107,609	84,109	-	11,591	51,354	(97)			84,109
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	107,609	84,109	-	11,591	51,354	(97)			84,109

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 revenue, rental of facilities, fines, Interest earned - external investments, Transfer recognized – operational and other revenue. In the case of expenditure, all the line items reflect

immaterial variances except Finance charges, Depreciation and Impairment, other material, contracted services and transfer and grants expenditure.

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

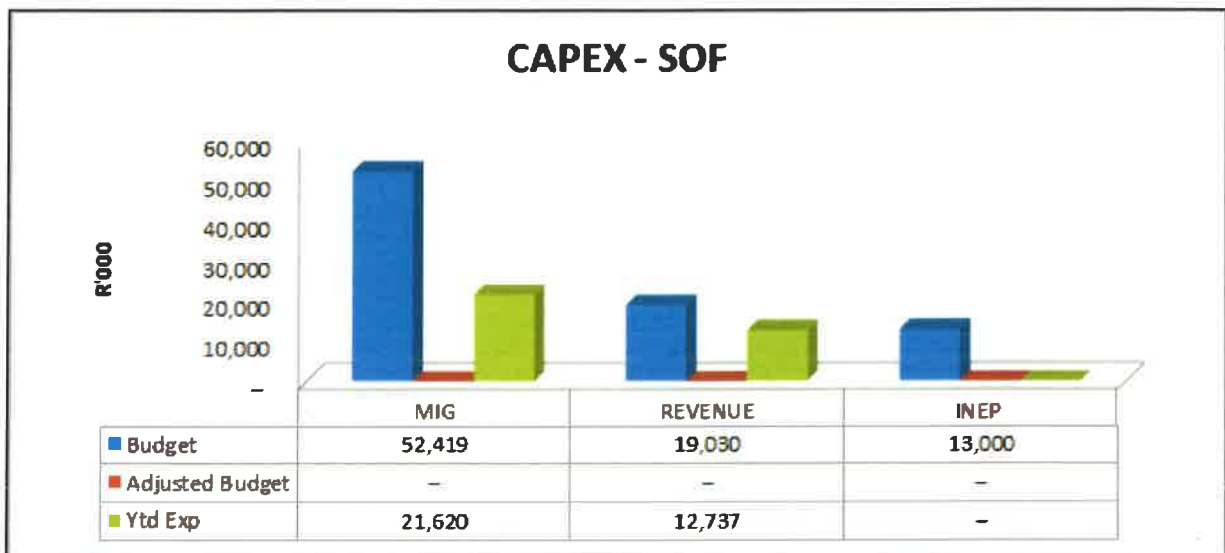
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

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	-	65	966	217	749	346%	650
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	1,516	650	-	65	966	217	749	346%	650
Community and public safety	77	1,380	-	-	28	460	(432)	-94%	1,380
Community and social services	77	1,200	-	-	28	400	(372)	-93%	1,200
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	180	-	-	-	60	(60)	-100%	180
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	85,527	77,019	-	16,177	33,363	25,673	7,690	30%	77,019
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	85,527	77,019	-	16,177	33,363	25,673	7,690	30%	77,019
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	22,597	15,400	-	-	-	5,133	(5,133)	-100%	15,400
Electricity	22,155	14,500	-	-	-	4,833	(4,833)	-100%	14,500
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	442	900	-	-	-	300	(300)	-100%	900
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	109,717	94,449	-	16,242	34,357	31,483	2,874	9%	94,449
Funded by:									
National Government	77,102	75,419	-	13,030	21,620	25,140	(3,519)	-14%	75,419
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	77,102	75,419	-	13,030	21,620	25,140	(3,519)	-14%	75,419
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	32,615	19,030	-	3,211	12,737	6,343	6,393	101%	19,030
Total Capital Funding	109,717	94,449	-	16,242	34,357	31,483	2,874	9%	94,449

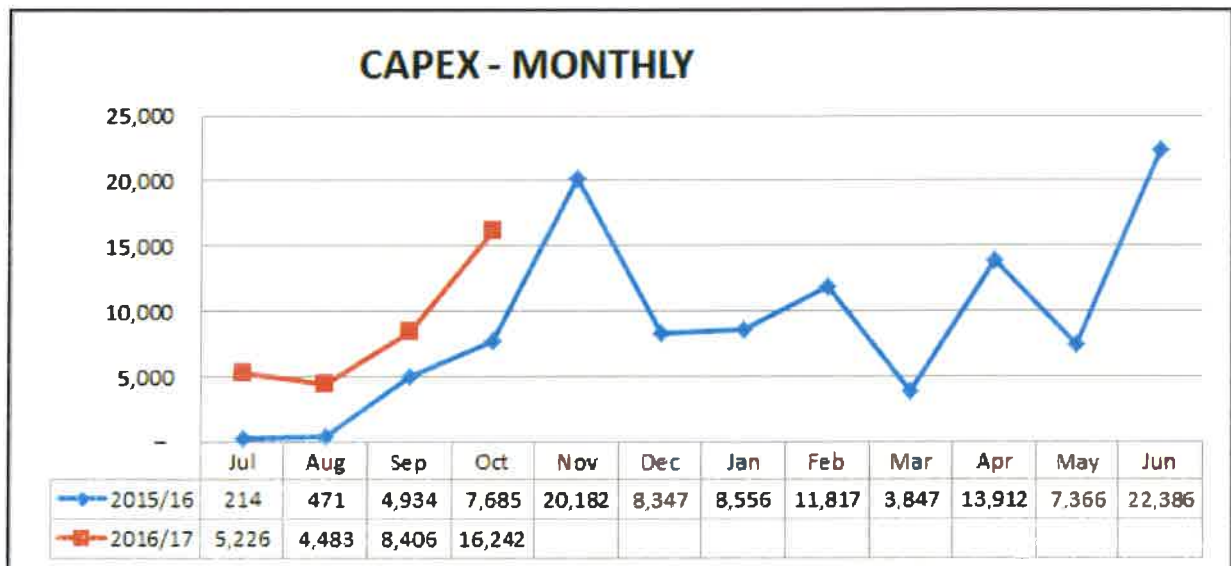
Table C5C: Monthly Capital Expenditure by Vote

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	200	(172)	-86%	600
Vote 6 - Technical Services	67,323	63,619	-	12,523	22,778	21,206	1,572	7%	63,619
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	72,540	64,219	-	12,523	22,806	21,406	1,400	7%	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	-	65	966	217	749	346%	650
Vote 5 - Community Services	-	2,180	-	2,104	2,104	727	1,378	190%	2,180
Vote 6 - Technical Services	37,177	27,400	-	1,549	8,480	9,133	(653)	-7%	27,400
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	37,177	30,230	-	3,718	11,551	10,077	1,474	15%	30,230
Total Capital Expenditure	109,717	94,449	-	16,242	34,357	31,483	2,874	9%	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 October 2016, R16, 242 million spending was incurred and the year to date expenditure is R34, 357 million whilst the year to date budget is R31, 483 million and this gave rise to an favorable spending variance of R2, 874 million or 9%.



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.

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	-	7,992	3,247
Call investment deposits	7,040	33,369	-	8,732	33,369
Consumer debtors	23,703	18,947	-	27,746	18,947
Other debtors	16,988	13,855	-	33,341	13,855
Current portion of long-term receivables	-	-	-	-	-
Inventory	3,377	3,000	-	3,450	3,000
Total current assets	55,763	72,418	-	81,261	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	-	909,101	891,663
Agricultural	-	-	-	-	-
Biological assets	-	-	-	-	-
Intangible assets	640	640	-	323	640
Other non-current assets	10,974	11,698	-	11,867	11,698
Total non current assets	959,821	993,473	-	1,014,759	993,473
TOTAL ASSETS	1,015,584	1,065,891	-	1,096,020	1,065,891
LIABILITIES					
Current liabilities					
Bank overdraft	-	-	-	-	-
Borrowing	8,363	-	-	7,661	-
Consumer deposits	5,115	5,444	-	5,184	5,444
Trade and other payables	45,405	25,000	-	61,753	25,000
Provisions	2,547	1,452	-	492	1,452
Total current liabilities	61,431	31,896	-	75,090	31,896
Non current liabilities					
Borrowing	10,760	6,264	-	11,740	6,264
Provisions	79,310	84,249	-	96,357	84,249
Total non current liabilities	90,070	90,513	-	108,097	90,513
TOTAL LIABILITIES	151,501	122,409	-	183,187	122,409
NET ASSETS	864,083	943,481	-	912,833	943,481
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	864,083	943,481	-	912,833	943,481
Reserves	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	864,083	943,481	-	912,833	943,481

The above table shows that community wealth amounts to R912, 833 million, total liabilities R183, 187 million and the total assets R1, 096 Million.

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		1,957	6,948	7,434	(486)	-7%	22,302
Service charges	69,020	74,803		9,704	28,349	24,934	3,415	14%	74,803
Other revenue	7,100	8,463		560	2,509	2,821	(312)	-11%	8,463
Government - operating	216,652	213,105		-	89,559	71,035	18,524	26%	213,105
Government - capital	63,102	75,419		5,200	27,200	25,140	2,060	8%	75,419
Interest	8,815	5,666		218	1,445	1,889	(443)	-23%	5,666
Dividends	-	-		-	-	-	-		-
Payments									
Suppliers and employees	(294,860)	(278,243)		(16,153)	(135,060)	(92,748)	42,312	-46%	(278,243)
Finance charges	-	(60)		-	(554)	(20)	534	-2672%	(60)
Transfers and Grants	(1,062)	(2,128)		(180)	(639)	(709)	(71)	10%	(2,128)
NET CASH FROM/(USED) OPERATING ACTIVITIES	95,115	119,326	-	1,307	19,758	39,775	20,017	50%	119,326
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1,746	5,000		-	-	1,667	(1,667)	-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)		(17,022)	(35,138)	(31,483)	3,655	-12%	(94,449)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(107,971)	(89,449)	-	(17,022)	(35,138)	(29,816)	5,321	-18%	(89,449)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-		-	-	-	-		-
Borrowing long term/refinancing	-	-		-	-	-	-		-
Increase (decrease) in consumer deposits	(416)	500		5	64	167	(102)	-61%	500
Payments									
Repayment of borrowing	-	(9,357)		-	(1,991)	(3,119)	(1,128)	36%	(9,357)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(416)	(8,857)	-	5	(1,927)	(2,952)	(1,026)	35%	(8,857)
NET INCREASE/(DECREASE) IN CASH HELD	(13,272)	21,020	-	(15,711)	(17,306)	7,007			21,020
Cash/cash equivalents at beginning:	24,967	6,238			34,031	6,238			34,031
Cash/cash equivalents at month/year end:	11,695	27,259			16,724	13,245			55,051

Table C7 presents details pertaining to cash flow performance. For the month of October 2016, the net cash inflow from operating activities is R1, 307 million whilst net cash outflow from investing activities is R17, 022 million that is mainly comprised of capital expenditure movement; and the net cash inflow from financing activities is R5 thousand. The cash and cash equivalent held at the end of October 2016 amounted to R16, 724 million and the net effect of the above cash flows is cash inflow movement of R17, 306 million. The cash and cash equivalent at end of the reporting period is R16, 724 million that is made up of cash amounting R7, 992 million and short term investments of R8, 732 million as presented in Table A6 under current assets.

PART 2: SUPPORTING TABLES

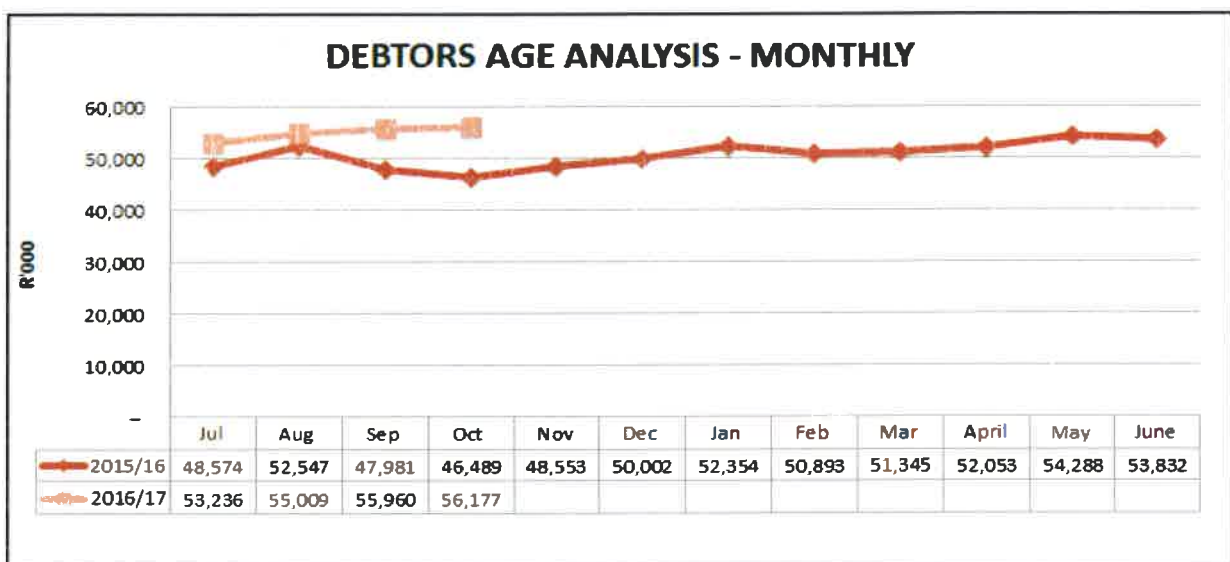
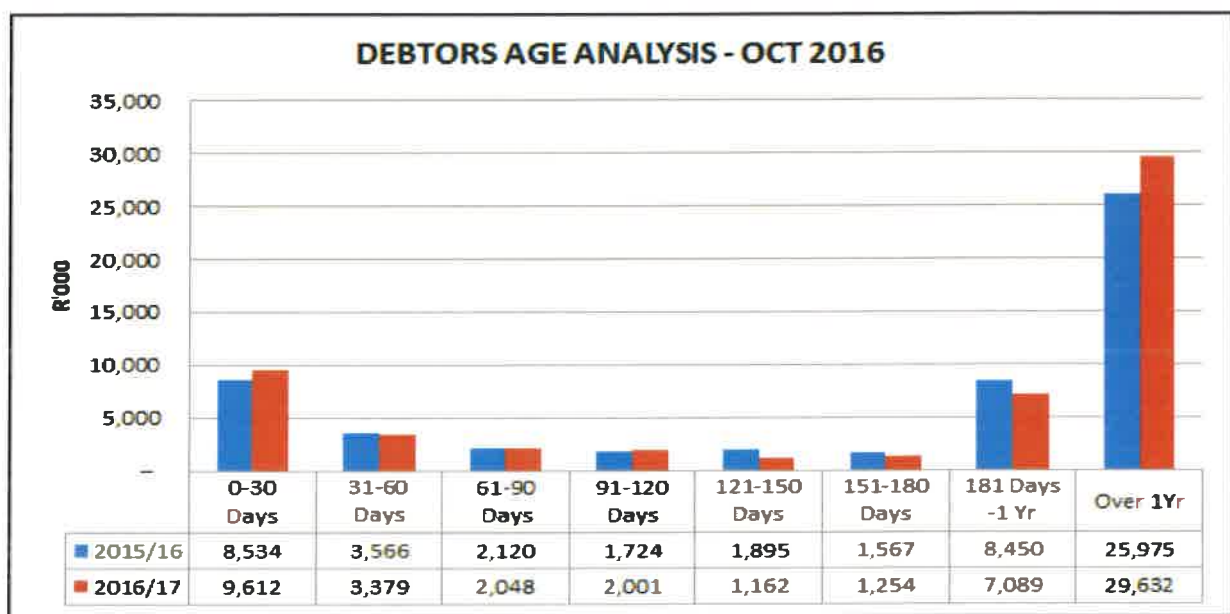
Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2016/17										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dye-1 Yr	Over 1Yr	Total					
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	5,567	1,450	570	318	111	66	350	1,771	10,202	2,615	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	2,052	863	884	854	622	602	3,432	18,237	27,546	23,747	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1,186	390	63	47	35	31	168	1,174	3,094	1,454	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	66	20	26	270	11	11	79	869	1,353	1,241	-	-	-	-
Interest on Arrear Debtor Accounts	592	567	542	516	498	481	2,596	9,185	14,977	13,276	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	150	88	(38)	(3)	(114)	62	466	(1,604)	(994)	(1,193)	-	-	-	-
Total By Income Source	9,612	3,379	2,048	2,001	1,162	1,254	7,089	29,632	56,177	41,139	-	-	-	-
2015/16 - totals only	8,534	3,566	2,120	1,724	1,895	1,567	8,450	25,975	53,832	39,612	-	-	-	-
Debtors Age Analysis By Customer Group														
Organs of State	1,184	648	180	167	58	71	354	2,105	4,767	2,754	-	-	-	-
Commercial	3,956	768	431	531	333	322	1,701	5,020	13,062	7,907	-	-	-	-
Households	3,283	1,326	823	647	456	429	2,553	13,193	22,711	17,279	-	-	-	-
Other	1,189	637	613	657	315	431	2,481	9,314	15,637	13,198	-	-	-	-
Total By Customer Group	9,612	3,379	2,048	2,001	1,162	1,254	7,089	29,632	56,177	41,139	-	-	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of October amount to R56, 177 million. The debtors' book is made up as follows:

- Rates 49.03%
- Electricity 18,16%
- Rental 2,41%
- Interest on Debtors 26.66%
- Refuse removal 5,51%
- Other – 1,77%

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 October 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 HOL	ERF NUMBER	TYPE	CATEGORY	TOWN	BALANCE	HAND OVER
9900067	WATER PURIFI	00-000000100-00000-0000	OCCUPIER	GOVERNMENT	2 GROBLER AVENUE	844960.89	Y
9012345	BREED J & OOS	90-000000026-00000-0000	OCCUPIER	BUSINESS	KLIPBANK 26 JS REMA	739944.67	N
1501364	JAN JOUBERT	15-000001780-00000-0000	OWNER	INDUSTRIAL	6 BANK STREET	443691.13	N
9000000	REPUBLIEK VA	90-000000012-00000-0000	OWNER	AGRICULTURE	LOSKOP NOORD12 JS	289336.54	Y
6000908	DEPARTMENT	60-000000822-00000-0000	OWNER	RESIDENTIAL	822 MOTETEMA SECT	286768.45	Y
2913	SHOPRITE/CHE	00-000000100-00001-0000	OCCUPIER	MUNICIPAL	11 HEREFORD STREET	271416.67	Y
9001077	ROYAL SQUAR	90-000000177-00000-0000	OWNER	BUSINESS	DE LAGERSDRIFT177 J	258097.06	Y
1200305	BUNGELA LAM	12-000000768-00000-0000	OCCUPIER	BUSINESS	4 KLIPSTRAAT	247042.92	N
9001035	NDEBELE MAH	90-000000129-00000-0000	OWNER	AGRICULTURE	AANGEWEZEN129 JS	242692.03	Y
201885	SHOPRITE CHE	02-000000984-00000-0000	OCCUPIER	BUSINESS	10 & 12 VOORTREKKE	239128.66	N
9000804	NATIONAL GO	90-000000056-00002-0000	OWNER	GOVERNMENT	ELANDSDOORN56 JS	220131.95	Y
9001052	NDEBELE STAN	90-000000153-00000-0000	OWNER	AGRICULTURE	HOLNEK153 JS Portio	209257.73	Y
9000628	LANDBOUNAV	90-000000053-00111-0000	OWNER	AGRICULTURE	LOSKOP SUID53 JS Pd	205776.21	Y
9001039	NDEBELE MAH	90-000000133-00000-0000	OWNER	AGRICULTURE	VAALKOPFONTEIN13	197690.99	Y
9001055	NDEBELE STAN	90-000000157-00000-0000	OWNER	AGRICULTURE	ZAAIPLAATS157 JS Pd	193779.64	Y
9001050	NDEBELE STAN	90-000000151-00000-0000	OWNER	AGRICULTURE	KEEROM151 JS Portio	182374.67	Y
5050505	MOBILE TELEPH	50-000002677-000000-0000	OCCUPIER	BUSINESS	2677 ROOSSENEKAL	181317.52	N
400383	BEN J A FAMIL	04-000000360-000000-0000	OWNER	BUSINESS	WES 4	178020.44	Y
9001550	Lehlakony Cor	90-000000189-00000-0000	OWNER	AGRICULTURE	WINTERSHOEK189 JS	169618.02	Y
9001043	CHEGO-TUBAT	90-000000143-00000-0000	OWNER	AGRICULTURE	GROOTHOEK143 JS P	163814.13	Y
TOTAL						R 5,764,860.32	

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
41094	KGWADI YA MADIBA JV BIG ROCK	2835402.3
512	PATRICK MAKGOKA CONSTRUCTION	1351878.12
41048	IMBAWULA TRADING ENTERPRISE CC	1327350.05
37678	SHATADI DEVELOPERS	1033789.9
80341	MVA STENE BK	900361.1
464	MOLELEKI A TLALA TRANSPORT AND	897202.12
41046	BETSEKGADI COMMUNITY PROJECTS	691747.16
41045	MASEKWAMENG TRADERS CC	618569.23
41050	CASNAN CIVILS	580890.42
4001	MOKWENA MOTORS T/A NONYANE MOT	490210
41079	SHIRDO TRADING	488170.8
41093	MTP INFRASTRUCTURE RESOURCES	438313.97
40083	TUMBER FOURIE CONSULTING	351581.7
41113	MOBILE BATCHING (PTY) LTD	271833
70085	CHEAP CHEAP TRAVEL	265504.61
41036	JMV ORTHOSMART CONSULTING	226800
35516	MAHLOME TRADING ENTERPRISE	186205
32409	MAKGONATSOHLE TRADING ENTERPRISE	185164.16
40054	SHONISANI RAMBAU CONSTRUCT	173157.58
40059	MUNEI CONSULTING AND PROJECTS	111581.63
TOTAL		13,425,712.85

The above table presents the top twenty creditors paid during the month of October 2016 and an amount of R13, 425 million was paid during the month under review.

Supporting Table: SC 5 - Investment Portfolio

Investments	Period of Investment	Type of Investment	Expiry date	Accrued interest	Yield for the month	MV Opening	Change in MV	MV-Closing
Municipality								
Nedbank	1 Months	Short term	31-Oct-2016	86	7.60%	25,639	(17,000)	8,725
Absa - MIG	1 Months	Short term	31-Oct-2016	4	0.47%	756	(756)	4
Absa Call Account	1 Months	Short term	31-Oct-2016	3	5.00%	645	(646)	3
TOTAL INVESTMENTS AND INTEREST				94		27,040	(18,402)	8,732

Supporting table SC5 presents all investments that indicate that the total amount of R8, 732 million had been invested as at end of October 2016. The opening balance was R27, 040 million, an amount of R18, 402 million has been withdrawn as addition during the current month and accrued interest for the month amounted to R94 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

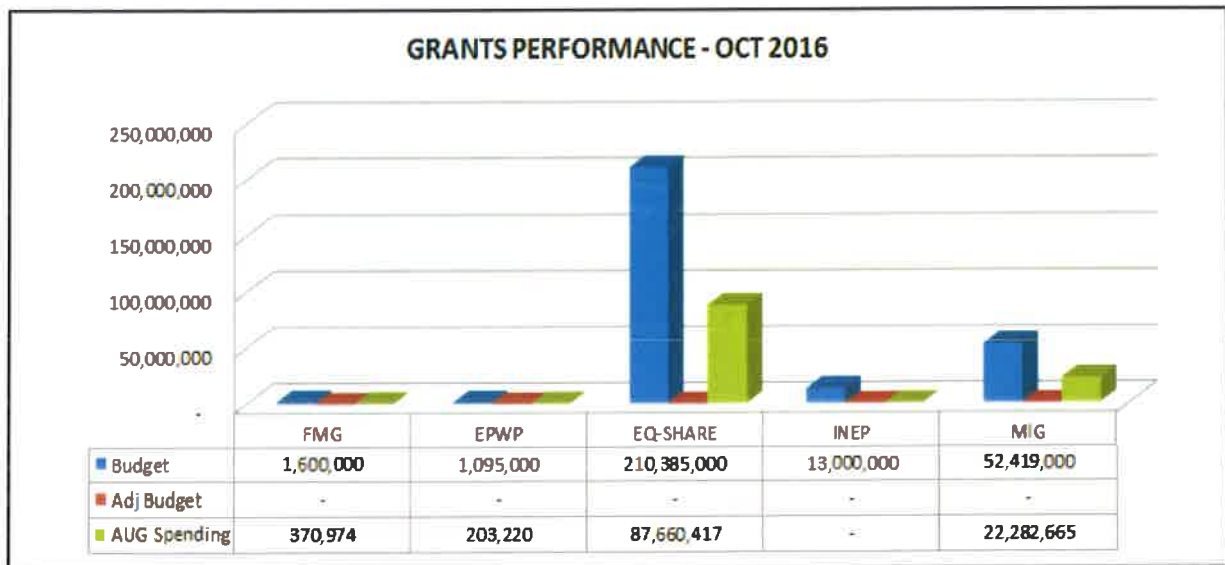
Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	216,641	213,105	-	-	89,559	71,035	17,532	24.7%	213,105
Local Government Equitable Share	212,948	210,385	-	-	87,660	70,128	17,532	25.0%	210,385
Finance Management	1,600	1,625	-	-	1,625	542	-	-	1,625
Municipal Systems Improvement	930	-	-	-	-	-	-	-	-
EPWP Incentive	1,163	1,095	-	-	274	365	-	-	1,095
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	216,641	213,105	-	-	89,559	71,035	17,532	24.7%	213,105
Capital Transfers and Grants									
National Government:	63,102	75,419	-	5,200	27,200	25,140	2,060	8.2%	75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	-	-	22,000	20,806	1,194	5.7%	62,419
Integrated National Electrification Grant	10,000	13,000	-	5,200	5,200	4,333	867	20.0%	13,000
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	63,102	75,419	-	5,200	27,200	25,140	2,060	8.2%	75,419
TOTAL RECEIPTS OF TRANSFERS & GRANTS	279,743	288,524	-	5,200	116,759	96,175	19,592	20.4%	288,524

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R116, 759 million of which the major portion is attributed to equitable share (i.e. R87, 660 million) received. All the grants allocated for the current financial year have been received as gazette.

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	-	17,687	88,235	71,035	17,200	24.2%	213,105
Local Government Equitable Share	212,948	210,385	-	17,532	87,660	70,128	17,532	25.0%	210,385
Finance Management	1,600	1,625	-	42	371	542	(171)	-31.5%	1,625
Municipal Systems Improvement	930	-	-	-	-	-	-	-	-
EPWP Incentive	1,163	1,095	-	113	203	365	(162)	-44.3%	1,095
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
Provincial Government:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	216,641	213,105	-	17,687	88,235	71,035	17,200	24.2%	213,105
Capital expenditure of Transfers and Grants									
National Government:	63,102	75,419	-	12,461	22,283	25,140	(2,857)	-11.4%	75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	-	12,461	22,283	20,806	1,476	7.1%	62,419
Integrated National Electrification Grant	10,000	13,000	-	-	-	4,333	(4,333)	-100.0%	13,000
Provincial Government:	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	63,102	75,419	-	12,461	22,283	25,140	(2,857)	-11.4%	75,419
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	279,743	288,524	-	30,148	110,517	96,175	14,343	14.9%	288,524

An amount of R30, 148 million has been spent on grants during the month of October 2016 and the year to date actuals is R110, 517 million whilst the year to date budget amounts to R96, 175 million and this results in over spending variance of R14, 343 million 14.9%. Of the total spending R17, 687 million is spent from operational grant whilst R12, 461 million is spent from capital grant (MIG). All the Grants are under-spending when comparing the year to date actuals with the projected budget thereof, except equitable shares.



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

- Financial Management Grant 23,19%
- Expanded Public Work Programme 18,56%
- Equitable Share 41.67%
- Municipal Infrastructure Grant 42.51%
- Integrated National Electrification Grant 0%

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	-	1,059	4,224	4,475	(251)	-6%	13,424
Pension and UIF Contributions	1,076	1,080	-	137	502	360	141	39%	1,080
Medical Aid Contributions	339	275	-	19	89	92	(2)	-3%	275
Motor Vehicle Allowance	3,983	4,000	-	365	1,492	1,333	158	12%	4,000
Cellphone Allowance	1,615	-	-	-	34	-	34	0%	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	128	-	-	-	43	(43)	-100%	128
Sub Total - Councillors	19,638	18,908	-	1,580	6,341	6,303	38	1%	18,908
Senior Managers of the Municipality									
Basic Salaries and Wages	4,473	5,706	-	529	3,072	1,902	1,170	62%	5,706
Pension and UIF Contributions	362	496	-	32	210	165	45	27%	496
Medical Aid Contributions	169	86	-	8	53	29	24	84%	86
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	718	793	-	56	393	264	128	49%	793
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	283	71	-	0	0	24	(23)	-99%	71
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	6,005	7,153	-	624	3,729	2,384	1,345	56%	7,153
Other Municipal Staff									
Basic Salaries and Wages	63,381	67,914	-	5,560	22,262	22,638	(376)	-2%	67,914
Pension and UIF Contributions	12,228	13,194	-	1,140	4,564	4,398	166	4%	13,194
Medical Aid Contributions	3,565	3,869	-	316	1,269	1,290	(21)	-2%	3,869
Overtime	2,589	1,060	-	235	845	353	491	139%	1,060
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	5,437	7,693	-	613	2,404	2,564	(160)	-6%	7,693
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	137	158	-	16	55	53	2	4%	158
Other benefits and allowances	6,083	6,458	-	110	421	2,153	(1,732)	-80%	6,458
Payments in lieu of leave	502	1,060	-	109	422	353	69	19%	1,060
Long service awards	841	494	-	52	58	165	(107)	-65%	494
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	94,763	101,900	-	8,158	32,299	33,967	(1,668)	-5%	101,900
Total Parent Municipality	120,405	127,962	-	10,362	42,368	42,654	(286)	-1%	127,962
Unpaid salary, allowances & benefits in arrears:									
TOTAL SALARY, ALLOWANCES & BENEFITS	120,405	127,962	-	10,362	42,368	42,654	(286)	-1%	127,962
TOTAL MANAGERS AND STAFF	100,767	109,053	-	8,782	36,028	36,351	(324)	-1%	109,053

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for October 2016 amounts to R10, 362 million (Year to date expenditure is R42, 368 million) and the expenditure for remuneration of councillors for the month amounts to R 1, 580 million while the year to date expenditure is R6, 341).

Description	Budget Year 2016/17												2016/17 Medium Term Revenue			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year +1	Budget Year +2	
	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Year	Year	Year	
Cash Receipts By Source																
Property rates - penalties & collection charges	1,263	1,471	1,340	1,940	1,859	1,859	1,859	1,859	1,859	1,859	1,859	3,278	22,302	23,685	25,083	
Service charges - electricity revenue	-	4,328	5,763	6,142	4,889	5,210	5,465	5,517	6,597	6,628	7,389	3,489	68,195	72,423	76,696	
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse	283	273	254	292	551	551	551	551	551	551	551	1,652	6,608	7,017	7,431	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	44	82	46	116	71	71	71	71	71	71	71	67	848	901	954	
Interest earned - external investments	398	311	274	94	315	350	350	360	360	381	381	265	3,829	4,066	4,306	
Interest earned - outstanding debtors	182	146	98	124	153	153	153	153	153	153	153	214	1,837	1,951	2,066	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines	18	80	44	17	18	48	41	30	18	50	48	(10)	403	428	453	
Licences and permits	427	-	347	442	422	422	422	422	422	422	422	893	5,060	5,373	5,691	
Agency services	87,660	1,899	-	-	70,457	-	-	329	52,596	-	-	164	213,105	227,853	243,113	
Transfer receipts - operating	936	992	21	3,169	84	274	134	212	174	174	15	(4,034)	2,152	2,285	2,420	
Cash Receipts by Source	97,989	9,582	8,188	12,335	78,817	8,936	9,044	9,492	62,800	10,269	10,887	5,978	324,338	345,983	368,213	
Other Cash Flows by Source																
Transfer receipts - capital	22,000	2,296	4,693	5,200	2,730	3,900	-	2,730	19,198	-	-	12,672	75,419	66,212	69,386	
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	5,000	-	-	
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Increase in consumer deposits	22	36	2	5	45	124	14	30	12	14	18	179	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	81,592	12,960	9,058	12,262	82,010	10,303	10,905	23,829	405,257	412,726	438,161	
Cash Payments by Type																
Employee related costs	8,307	10,207	8,705	8,782	8,469	15,248	8,734	8,514	8,516	8,544	8,494	6,535	109,053	115,814	122,648	
Remuneration of councillors	1,615	1,667	1,478	1,580	1,576	1,576	1,576	1,576	1,576	1,576	1,576	(494)	18,908	20,081	21,265	
Interest paid	219	-	335	-	-	-	-	-	-	-	-	-	60	12	-	
Bulk purchases - Electricity	7,265	7,426	5,587	71	5,500	5,000	5,461	5,000	6,000	6,000	6,000	5,650	64,961	68,988	73,059	
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other materials	317	2,303	401	391	555	173	441	196	480	197	266	(1,714)	3,945	4,190	4,437	
Contracted services	3,766	4,051	7,239	2,252	1,798	1,528	2,328	1,378	2,498	1,428	1,628	(9,340)	20,550	18,638	19,738	
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grants and subsidies paid - other	96	196	167	180	202	152	152	227	252	252	152	198	2,128	2,260	2,393	
General expenses	7,325	4,243	5,910	4,587	5,829	3,841	5,087	6,017	4,513	4,661	4,873	3,959	60,826	60,495	61,379	
Cash Payments by Type	28,910	30,093	29,823	17,824	23,928	27,518	23,777	22,847	23,734	22,657	22,988	6,331	280,431	290,479	304,918	
Other Cash Flows/Payments by Type																
Capital assets	5,226	4,483	8,406	17,022	12,023	7,942	4,095	1,735	1,628	1,520	200	30,168	94,449	80,212	87,886	
Repayment of borrowing	800	-	701	-	780	780	780	780	780	780	780	2,398	9,357	6,264	-	
Other Cash Flows/Payments	14,031	-	-	-	-	-	-	-	-	-	-	(14,031)	-	-	-	
Total Cash Payments by Type	48,967	34,576	38,930	34,846	36,731	36,240	28,652	25,362	26,142	24,967	23,968	24,866	384,237	376,955	392,804	
NET INCREASE/(DECREASE) IN CASH HELD	71,044	(22,661)	(26,047)	(17,306)	44,861	(23,280)	(19,594)	(13,109)	55,868	(14,665)	(13,063)	(1,038)	21,020	35,771	45,357	
Cash/cash equivalents at the month/year beginning	11,695	82,739	60,078	34,031	16,724	61,595	38,306	18,712	5,602	61,470	46,816	33,753	11,695	32,716	68,487	
Cash/cash equivalents at the month/year end	82,739	60,078	34,031	16,724	61,595	38,306	18,712	5,602	61,470	46,816	33,753	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 17, 540 million and the total cash payment for the month were R34 , 846 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							% spend of Original Budget
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	
Monthly expenditure performance trend									
July	214	15,914	–	5,226	5,226	15,914	10,688	67.2%	6%
August	471	19,478	–	4,483	9,709	35,392	25,683	72.6%	10%
September	4,934	14,244	–	8,406	18,115	49,636	31,521	63.5%	19%
October	7,685	8,854	–	16,242	34,357	58,491	24,134	41.3%	36%
November	20,182	14,023	–	–	–	72,514	–	–	–
December	8,347	7,942	–	–	–	80,456	–	–	–
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 Capital expenditure	109,717	94,449	–	34,357					

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of October amounts to R16, 242 million. The capital budget spending is way below the projected spending for October and this result in the spending projection target not being achieved.

In terms of the budget projection for the month, the spending was anticipated to be at R8, 854 million and only R16, 242 million has actually been spent. This reflects under spending variance of 41.3%.

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
New assets by Asset Class/Sub-class									
Infrastructure	77,040	36,500	-	4,754	11,529	12,167	637	5.2%	36,500
Infrastructure - Road transport	55,743	23,000	-	4,754	11,529	7,667	(3,863)	-50.4%	23,000
Roads, Pavements & Bridges	52,130	23,000	-	4,754	11,529	7,667	(3,863)	-50.4%	23,000
Storm water	3,613	-	-	-	-	-	-	-	-
Infrastructure - Electricity	21,297	13,000	-	-	-	4,333	4,333	100.0%	13,000
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	14,156	13,000	-	-	-	4,333	4,333	100.0%	13,000
Street Lighting	7,141	-	-	-	-	-	-	-	-
Infrastructure - Other	-	500	-	-	-	167	167	100.0%	500
Waste Management	-	500	-	-	-	167	167	100.0%	500
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	700	-	-	-	233	233	100.0%	700
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	600	-	-	-	200	200	100.0%	600
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	100	-	-	-	33	33	100.0%	100
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	857	4,530	-	65	3,246	1,510	(1,736)	-115.0%	4,530
General vehicles	-	2,500	-	-	2,253	833	(1,419)	-170.3%	2,500
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	350	-	-	872	117	(756)	-647.6%	350
Furniture and other office equipment	-	300	-	65	94	100	6	6.3%	300
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	857	1,380	-	-	28	460	432	93.9%	1,380
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	77,898	41,730	-	4,818	14,776	13,910	(866)	-6.2%	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
Renewal of existing assets by Asset Class/Sub-class									
Infrastructure	24,351	41,219	-	8,665	16,611	13,740	(2,871)	-20.9%	41,219
Infrastructure - Road transport	23,064	39,719	-	8,665	16,611	13,240	(3,371)	-25.5%	39,719
Roads, Pavements & Bridges	23,064	39,719	-	8,665	16,611	13,240	(3,371)	-25.5%	39,719
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	532	1,500	-	-	-	500	500	100.0%	1,500
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	532	1,500	-	-	-	500	500	100.0%	1,500
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Other	755	-	-	-	-	-	-	-	-
Waste Management	755	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	10,000	-	-	-	3,333	3,333	100.0%	10,000
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	10,000	-	-	-	3,333	3,333	100.0%	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	-	2,758	2,970	500	(2,470)	-494.0%	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	-	2,758	2,970	500	(2,470)	-494.0%	1,500
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	356	-	-	-	-	-	-	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	31,820	52,719	-	11,423	19,581	17,573	(2,008)	-11.4%	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	-	140	792	2,483	1,692	68.1%	7,450
Infrastructure - Road transport	883	3,300	-	1	53	1,100	1,047	95.2%	3,300
Roads, Pavements & Bridges	883	3,300	-	1	53	1,100	1,047	95.2%	3,300
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	1,001	1,800	-	139	594	600	6	1.0%	1,800
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	1,001	1,800	-	139	594	600	6	1.0%	1,800
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Other	1,209	2,350	-	-	145	783	638	81.5%	2,350
Waste Management	1,209	2,350	-	-	145	783	638	81.5%	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	-	252	2,867	2,255	(612)	-27.2%	6,765
General vehicles	1,427	1,300	-	223	763	433	(330)	-76.1%	1,300
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	2,749	1,500	-	-	367	500	133	26.8%	1,500
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	1,154	2,500	-	29	1,687	833	(853)	-102.4%	2,500
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	269	1,465	-	-	51	488	438	89.6%	1,465
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	9	500	-	-	-	167	167	100.0%	500
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	9	500	-	-	-	167	167	100.0%	500
Total Repairs and Maintenance Expenditure	8,701	14,715	-	392	3,659	4,905	1,246	25.4%	14,715

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 expenditure for new capital projects amounts to R4, 818 million and the year to date budget is R14, 776 million which reflects (6.2%) unfavorable variance. The spending on renewal of existing assets for October amounts R11, 423 million and the year to date actual is R19, 581 million with the year to date budget reflecting an amount of R17, 573 million and this reflects (11.4%).

The actual expenditure for the month of October 2016 on repairs and maintenance is R392, Thousand and the year to date actuals is R3, 659 million while the year to date budget is R4, 905 million, reflecting spending variance of 25.4%.

Quality certificate

I **RAMAKGAHLELE MAREDI**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of October 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: .....

Date 14 NOV 2016

Municipal Manager