

ELIAS MOTSOALEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

SEPTEMBER 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	-	1,639	6,129	5,995	134	2%	23,981
Service charges	69,462	81,102	-	6,422	17,859	20,275	(2,416)	-12%	81,102
Investment revenue	3,780	3,829	-	347	1,053	957	96	10%	3,829
Transfers recognised - operational	216,641	213,105	-	131	88,079	53,276	34,803	65%	213,105
Other own revenue	14,480	15,589	-	1,088	3,848	3,897	(49)	-1%	15,589
Total Revenue (excluding capital and contributions)	326,769	337,606	-	9,626	116,968	84,401	32,567	39%	337,606
Employee costs	100,770	109,053	-	8,705	27,244	27,263	(19)	-0%	109,053
Remuneration of Councillors	19,638	18,908	-	1,478	4,760	4,727	33	1%	18,908
Depreciation & asset impairment	-	35,796	-	-	-	8,949	(8,949)	-100%	35,796
Finance charges	-	60	-	335	554	15	539	3596%	60
Materials and bulk purchases	67,255	68,906	-	5,988	23,300	17,226	6,074	35%	68,906
Transfers and grants	1,089	2,128	-	167	459	532	(73)	-14%	2,128
Other expenditure	107,587	94,063	-	11,351	30,710	23,516	7,194	31%	94,063
Total Expenditure	296,338	328,915	-	28,025	87,028	82,229	4,799	6%	328,915
Surplus/(Deficit)	30,421	8,690	-	(18,399)	29,941	2,173	27,768	1278%	8,690
Transfers recognised - capital	77,188	75,419	-	4,693	9,822	18,855	(9,033)	-48%	75,419
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital & contributions	107,609	84,109	-	(13,705)	39,762	21,027	18,735	89%	84,109
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	107,609	84,109	-	(13,705)	39,762	21,027	18,735	89%	84,109
Capital expenditure & funds sources									
Capital expenditure	109,717	94,449	-	8,406	18,115	23,612	(5,497)	-23%	94,449
Capital transfers recognised	77,102	75,419	-	5,133	8,590	18,855	(10,265)	-54%	75,419
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	32,615	19,030	-	3,272	9,525	4,756	4,768	100%	19,030
Total sources of capital funds	109,717	94,449	-	8,406	18,115	23,612	(5,497)	-23%	94,449
Financial position									
Total current assets	55,763	72,418	-	-	96,647	-	-	-	72,418
Total non current assets	959,821	993,473	-	-	960,882	-	-	-	993,473
Total current liabilities	61,431	31,896	-	-	86,261	-	-	-	31,896
Total non current liabilities	90,070	90,513	-	-	95,819	-	-	-	90,513
Community wealth/Equity	864,083	943,481	-	-	876,449	-	-	-	943,481
Cash flow									
Net cash from (used) operating	95,115	119,328	-	6,210	(6,000)	29,832	35,832	120%	119,328
Net cash from (used) investing	(107,971)	(89,449)	-	(8,406)	(18,115)	(22,382)	(4,247)	19%	(89,449)
Net cash from (used) financing	(416)	(8,857)	-	(700)	(1,931)	(2,214)	(283)	13%	(8,857)
Cash/cash equivalents at the month/year end	11,895	27,259	-	-	34,031	11,493	(22,537)	-196%	81,098
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dye	151-180 Dye	181 Dye-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	9,659	3,852	2,620	1,345	1,328	1,264	7,678	28,214	55,960
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 September 2016 is R116, 968 million and the year to date budget of R84, 401 million and this reflects a positive variance of R32, 567 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 transfer recognized operational, Property rates, Rental of facilities, interest earned – external Investment and License and permits:

- Service Charges – Electricity Revenue: 9% unfavorable variance
- Service Charges – Refuse Revenue: 43% unfavorable variance
- Other Revenue: 41% unfavorable variance
- Fines: 21% unfavorable variance
- License and Permits: 2% unfavorable variance
- Interest Earned on Outstanding Debtors 4% unfavorable variance
- Fines: 24% unfavorable variance.

Operating Expenditure

The year to date operational expenditure as at end of September amounts to R87, 028 million and the year to date budget is R82, 229 million. This reflects a favorable variance of R4, 799 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 (3596%), Transfer and grants huge percentage (14%) is due to some pertinent transaction being classified as revenue forgone as opposed to transfer and grants.

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 other expenditure with a favorable variance of (31%) and Material and Bulk purchases with variance of 35% favorable.

Capital Expenditure

The year to date actual capital expenditure as at end of September 2016 amounts to R18, 115 million and the year to date budget amounts to R23 615 million, giving rise to 23% under-spending variance for the month under review and this is attributed to major projects that have not yet kick-started and they had budget projection/s for the reporting period. The following projects are contributing to the underspending of capital budget since they are budgeted for and they have no movement to date:

- Nyakoroane Road
- Hlogotlou street and Storm water control
- Electrification Projects

Surplus/Deficit

Taking the above into consideration, the deficit for the month is R13, 705 million; however, in terms of 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 September 2016 amounts to R55, 960 million and this shows an increase of R2, 128 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	-	2,679	96,667	61,658	34,999	57%	246,631
Executive and council	930	-	-	-	-	-	-	-	-
Budget and treasury office	247,871	246,619	-	2,678	96,654	61,655	35,000	57%	246,619
Corporate services	6	11	-	0	3	3	(0)	-5%	11
Community and public safety	1,216	1,384	-	97	274	346	(72)	-21%	1,384
Community and social services	34	39	-	2	10	10	0	2%	39
Sport and recreation	1	3	-	-	-	1	(1)	-100%	3
Public safety	1,181	1,342	-	95	264	335	(71)	-21%	1,342
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	74,461	70,558	-	6,121	11,999	17,639	(5,640)	-32%	70,558
Planning and development	1,186	1,167	-	7	98	292	(194)	-66%	1,167
Road transport	73,275	69,391	-	5,114	11,901	17,348	(5,447)	-31%	69,391
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	79,462	94,452	-	6,422	17,859	23,613	(5,754)	-24%	94,452
Electricity	75,779	86,328	-	5,821	16,747	21,582	(4,835)	-22%	86,328
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	3,684	8,124	-	601	1,112	2,031	(919)	-45%	8,124
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	403,947	413,025	-	14,319	126,790	103,256	23,534	23%	413,025
Expenditure - Standard									
Governance and administration	139,984	156,368	-	13,945	41,083	39,592	1,491	4%	156,368
Executive and council	48,529	45,635	-	3,004	13,985	11,409	2,576	23%	45,635
Budget and treasury office	46,937	71,054	-	6,893	15,496	17,763	(2,267)	-13%	71,054
Corporate services	44,518	41,679	-	4,049	11,602	10,420	1,182	11%	41,679
Community and public safety	20,793	23,423	-	1,755	4,887	6,856	(969)	-17%	23,423
Community and social services	8,858	9,521	-	667	2,046	2,380	(334)	-14%	9,521
Sport and recreation	708	1,431	-	333	392	358	34	10%	1,431
Public safety	11,230	12,470	-	755	2,448	3,117	(669)	-21%	12,470
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	50,859	50,267	-	4,555	13,988	12,567	1,421	11%	50,267
Planning and development	8,403	10,031	-	312	1,203	2,508	(1,305)	-52%	10,031
Road transport	42,456	40,236	-	4,244	12,785	10,059	2,726	27%	40,236
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	84,702	96,858	-	7,769	27,070	24,214	2,856	12%	96,858
Electricity	65,619	78,171	-	6,084	21,705	19,543	2,162	11%	78,171
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	19,083	18,687	-	1,685	5,365	4,672	693	15%	18,687
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	296,336	328,916	-	28,025	87,028	82,229	4,799	6%	328,916
Surplus/ (Deficit) for the year	107,609	84,109	-	(13,706)	39,762	21,027	18,735	89%	84,109

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

Description	2016/16	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	-	2,678	96,654	61,655	35,000	56.8%	246,619
Vote 4 - Corporate Services	6	11	-	0	3	3	(0)	-5.3%	11
Vote 5 - Community Services	9,752	14,568	-	1,045	2,632	3,642	(1,010)	-27.7%	14,568
Vote 6 - Technical Services	144,201	150,659	-	10,588	27,403	37,665	(10,262)	-27.2%	150,659
Vote 7 - Strategic Deveopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	1,186	1,167	-	7	98	292	(194)	-66.3%	1,167
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	403,947	413,025	-	14,319	126,790	103,256	23,534	22.8%	413,025
Expenditure by Vote									
Vote 1 - Executive & Council	31,709	27,109	-	1,881	6,546	6,777	(232)	-3.4%	27,109
Vote 2 - Office of the Municipal Manager	19,783	18,526	-	1,122	7,440	4,632	2,808	60.6%	18,526
Vote 3 - Budget & Treasury	46,937	71,054	-	6,893	15,496	17,763	(2,267)	-12.8%	71,054
Vote 4 - Corporate Services	20,284	27,391	-	2,562	7,413	6,848	565	8.2%	27,391
Vote 5 - Community Services	44,723	47,723	-	3,937	11,557	11,931	(373)	-3.1%	47,723
Vote 6 - Technical Services	103,228	112,793	-	9,831	33,184	28,198	4,986	17.7%	112,793
Vote 7 - Strategic Deveopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	5,440	10,031	-	312	1,203	2,508	(1,305)	-52.0%	10,031
Vote 9 - Executive Support	24,234	14,288	-	1,486	4,189	3,572	617	17.3%	14,288
Total Expenditure by Vote	296,336	328,915	-	28,025	87,026	82,229	4,799	5.8%	328,915
Surplus/ (Deficit) for the year	107,609	84,109	-	(13,705)	39,762	21,027	18,735	89.1%	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	-	1,839	6,129	5,995	134	2%	23,981
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	65,779	73,328	-	5,821	16,747	18,332	(1,585)	-9%	73,328
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	3,684	7,774	-	601	1,112	1,943	(831)	-43%	7,774
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	841	912	-	65	552	228	324	142%	912
Interest earned - external investments	3,780	3,829	-	347	1,053	957	96	10%	3,829
Interest earned - outstanding debtors	5,872	6,123	-	559	1,470	1,531	(61)	-4%	6,123
Dividends received	-	-	-	-	-	-	-	-	-
Fines	1,178	1,342	-	95	264	335	(71)	-21%	1,342
Licences and permits	4,852	5,060	-	347	1,245	1,285	(20)	-2%	5,060
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	216,641	213,105	-	131	88,079	53,276	34,803	65%	213,105
Other revenue	1,737	2,152	-	21	317	538	(221)	-41%	2,152
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital and contributions)	326,759	337,606	-	9,626	116,968	84,401	32,567	39%	337,606
Expenditure By Type									
Employee related costs	100,770	109,053	-	8,705	27,244	27,263	(19)	0%	109,053
Remuneration of councillors	19,638	18,908	-	1,478	4,760	4,727	33	1%	18,908
Debt impairment	(2)	12,888	-	-	-	3,172	(3,172)	-100%	12,888
Depreciation & asset impairment	-	35,798	-	-	-	8,949	(8,949)	-100%	35,798
Finance charges	-	60	-	335	554	15	539	3596%	60
Bulk purchases	60,661	64,961	-	5,587	20,279	18,240	4,038	25%	64,961
Other materials	6,595	3,945	-	401	3,022	986	2,036	208%	3,945
Contracted services	36,288	20,550	-	7,239	15,055	5,138	9,918	193%	20,550
Transfers and grants	1,089	2,128	-	167	459	532	(73)	-14%	2,128
Other expenditure	71,321	60,826	-	4,112	15,654	15,208	448	3%	60,826
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	296,338	328,915	-	28,025	87,028	82,229	4,799	6%	328,915
Surplus/(Deficit)	30,421	8,690	-	(18,399)	29,941	2,173	27,768	0	8,690
Transfers recognised - capital	77,188	75,419	-	4,693	9,822	18,855	(9,033)	(0)	75,419
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital & contributions	107,609	84,109	-	(13,706)	39,762	21,027			84,109
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	107,609	84,109	-	(13,706)	39,762	21,027			84,109
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	107,609	84,109	-	(13,706)	39,762	21,027			84,109
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	107,609	84,109	-	(13,706)	39,762	21,027			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, Bulk purchases, 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.

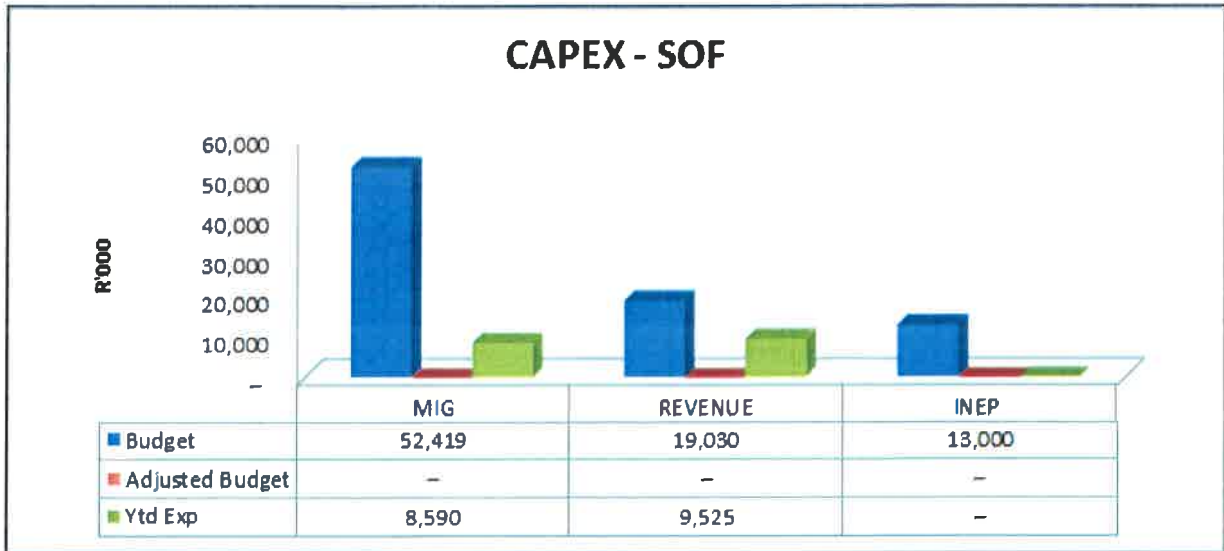
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

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
Capital Expenditure - Standard Classification									
Governance and administration	1,516	650	-	131	901	163	739	455%	650
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	1,516	650	-	131	901	163	739	455%	650
Community and public safety	77	1,380	-	-	28	345	(317)	-92%	1,380
Community and social services	77	1,200	-	-	28	300	(272)	-91%	1,200
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	180	-	-	-	45	(45)	-100%	180
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	85,527	77,019	-	8,275	17,186	19,255	(2,069)	-11%	77,019
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	85,527	77,019	-	8,275	17,186	19,255	(2,069)	-11%	77,019
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	22,597	15,400	-	-	-	3,850	(3,850)	-100%	15,400
Electricity	22,155	14,500	-	-	-	3,625	(3,625)	-100%	14,500
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	442	900	-	-	-	225	(225)	-100%	900
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	109,717	94,449	-	8,406	18,115	23,612	(5,497)	-23%	94,449
Funded by:									
National Government	77,102	75,419	-	5,133	8,590	18,855	(10,265)	-54%	75,419
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	77,102	75,419	-	5,133	8,590	18,855	(10,265)	-54%	75,419
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	32,615	19,030	-	3,272	9,525	4,758	4,768	100%	19,030
Total Capital Funding	109,717	94,449	-	8,406	18,115	23,612	(5,497)	-23%	94,449

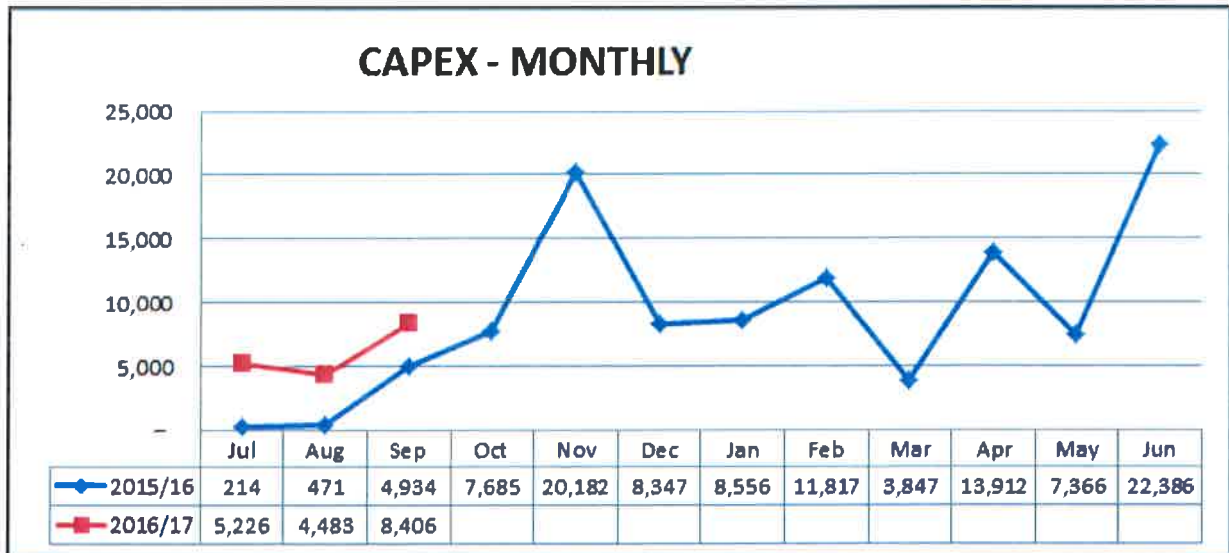
Table C5C: Monthly Capital Expenditure by Vote

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	150	(122)	-81%	600
Vote 6 - Technical Services	67,323	63,619	-	6,098	10,255	15,905	(5,650)	-36%	63,619
Vote 7 - Strategic Develeopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	72,640	64,219	-	6,098	10,263	16,055	(5,772)	-36%	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	-	131	901	163	739	455%	650
Vote 5 - Community Services	-	2,180	-	-	-	545	(545)	-100%	2,180
Vote 6 - Technical Services	37,177	27,400	-	2,177	6,931	6,850	81	1%	27,400
Vote 7 - Strategic Develeopment	-	-	-	-	-	-	-	-	-
Vote 8 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	37,177	30,230	-	2,307	7,832	7,558	275	4%	30,230
Total Capital Expenditure	109,717	94,449	-	8,406	18,115	23,612	(5,497)	-23%	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 September 2016, R8, 406 million spending was incurred and the year to date expenditure is R18, 115 million whilst the year to date budget is R23, 612 million and this gave rise to an unfavorable spending variance of R5, 497 million or 23%.



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	-	6,990	3,247
Call investment deposits	7,040	33,369	-	27,040	33,369
Consumer debtors	23,703	18,947	-	28,218	18,947
Other debtors	16,988	13,855	-	31,091	13,855
Current portion of long-term receivables	-	-	-	-	-
Inventory	3,377	3,000	-	3,308	3,000
Total current assets	55,763	72,418	-	96,647	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	-	855,547	891,663
Agricultural	-	-	-	-	-
Biological assets	-	-	-	-	-
Intangible assets	640	640	-	323	640
Other non-current assets	10,974	11,698	-	11,544	11,698
Total non current assets	959,821	993,473	-	960,882	993,473
TOTAL ASSETS	1,015,584	1,065,891	-	1,057,530	1,065,891
LIABILITIES					
Current liabilities					
Bank overdraft	-	-	-	-	-
Borrowing	8,363	-	-	7,661	-
Consumer deposits	5,115	5,444	-	5,179	5,444
Trade and other payables	45,405	25,000	-	69,528	25,000
Provisions	2,547	1,452	-	3,893	1,452
Total current liabilities	61,431	31,896	-	86,261	31,896
Non current liabilities					
Borrowing	10,760	6,264	-	11,740	6,264
Provisions	79,310	84,249	-	84,079	84,249
Total non current liabilities	90,070	90,513	-	95,819	90,513
TOTAL LIABILITIES	151,501	122,409	-	182,081	122,409
NET ASSETS	864,083	943,481	-	875,449	943,481
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	864,083	943,481	-	875,449	943,481
Reserves	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	864,083	943,481	-	875,449	943,481

The above table shows that community wealth amounts to R875, 449 million, total liabilities R182, 081 million and the total assets R1, 057 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									
Ratepayers and other	102,468	105,588	-	8,529	25,585	26,392	(807)	-3%	105,588
Government - operating	216,652	213,105	-	17,663	55,346	53,276	2,070	4%	213,105
Government - capital	63,102	75,419	-	4,693	9,822	18,855	(9,033)	-48%	75,419
Interest	8,815	5,666	-	372	1,227	1,416	(189)	-13%	5,666
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(294,860)	(278,243)	-	(24,545)	(96,967)	(69,561)	27,406	-39%	(278,243)
Finance charges	-	(80)	-	(335)	(554)	(15)	539	-3596%	(60)
Transfers and Grants	(1,062)	(2,128)	-	(167)	(459)	(532)	(73)	14%	(2,128)
NET CASH FROM/(USED) OPERATING ACTIVITIES	95,116	119,326	-	6,210	(6,000)	29,832	35,832	120%	119,326
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1,746	5,000	-	-	-	1,250	(1,250)	-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)	-	(0,406)	(18,115)	(23,812)	(5,497)	23%	(94,449)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(107,971)	(89,449)	-	(6,406)	(18,115)	(22,362)	(4,247)	19%	(89,449)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	(416)	500	-	2	60	125	(65)	-52%	500
Payments									
Repayment of borrowing	-	(9,357)	-	(701)	(1,991)	(2,339)	(348)	15%	(9,357)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(416)	(8,857)	-	(700)	(1,931)	(2,214)	(283)	13%	(8,857)
NET INCREASE/ (DECREASE) IN CASH HELD	(13,272)	21,020	-	(2,896)	(26,047)	5,255			21,020
Cash/cash equivalents at beginning:	24,967	6,238	-		60,078	6,238			60,078
Cash/cash equivalents at month/year end	11,695	27,259	-		34,031	11,493			81,098

Table C7 presents details pertaining to cash flow performance. For the month of September 2016, the net cash inflow from operating activities is R6, 210 million whilst net cash outflow from investing activities is R8, 406 million that is mainly comprised of capital expenditure movement; and the net cash inflow from financing activities is R700 thousand. The cash and cash equivalent held at the end of September 2016 amounted to R34, 031 million and the net effect of the above cash flows is cash inflow movement of R26, 661 million. The cash and cash equivalent at end of the reporting period is R34, 031 million that is made up of cash amounting R6, 990 million and short term investments of R27, 040 million as presented in Table A6 under current assets.

PART 2: SUPPORTING TABLES

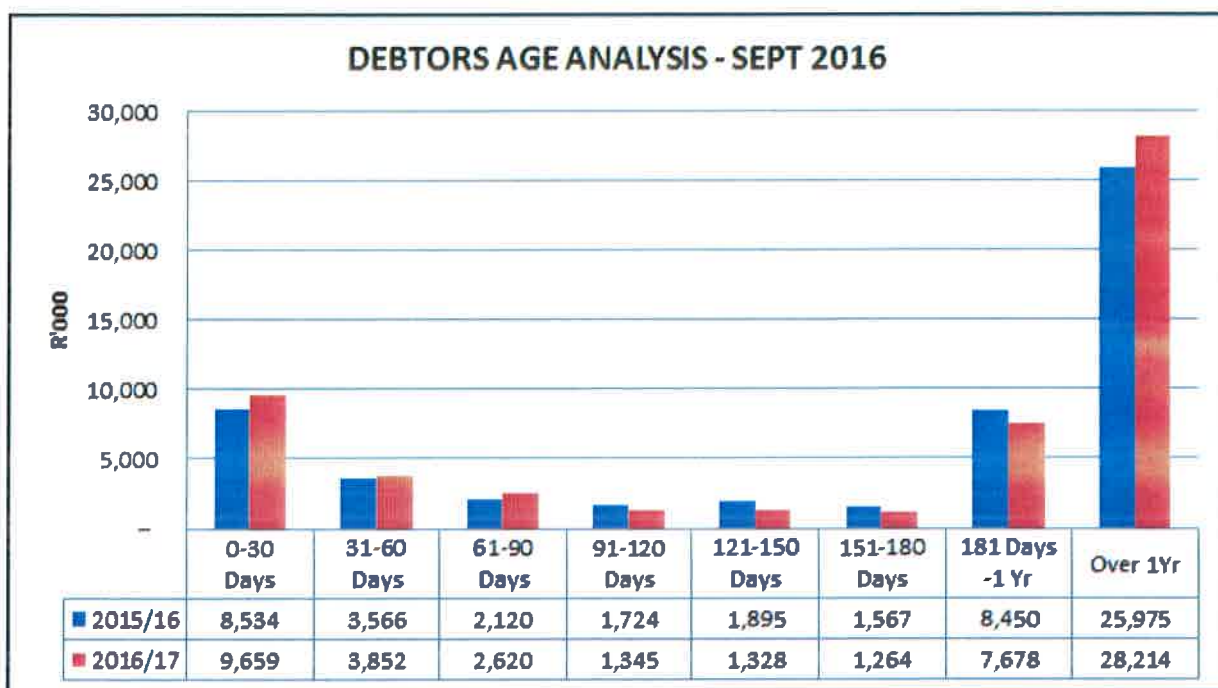
Supporting Table: SC 3 - Debtors Age Analysis

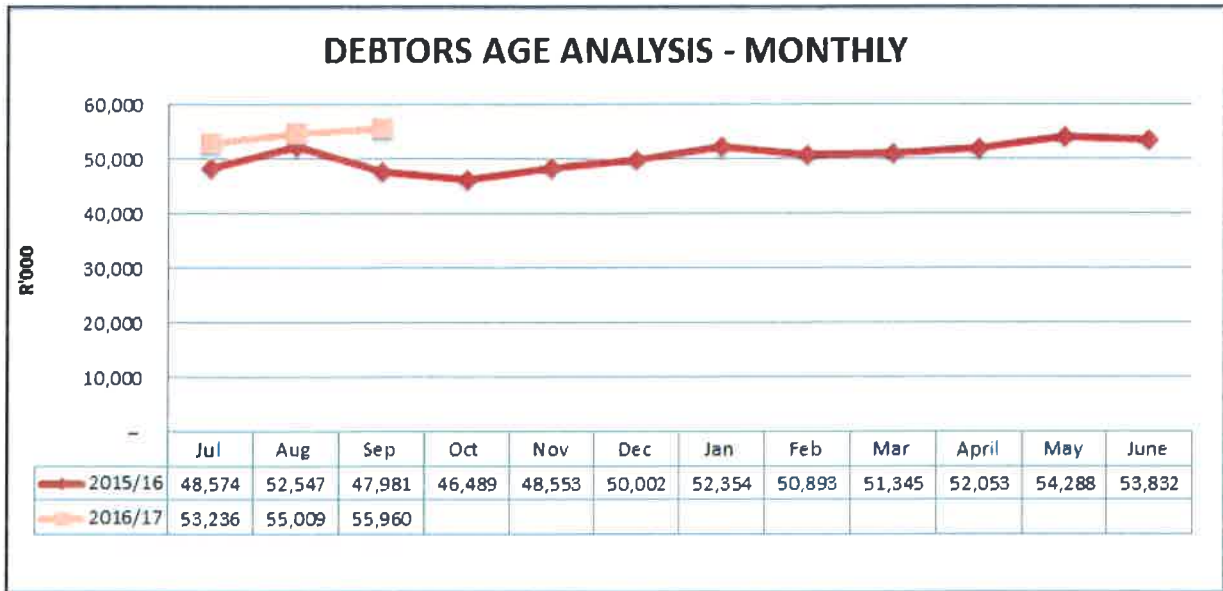
Description	NT Code	Budget Year 2016/17								Total over 90 days	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dns-1 Yr	Over 1Yr Total		
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5,811	1,790	661	200	92	106	328	1,725	10,713	2,451
Receivables from Non-exchange Transactions - Property Rates	1400	1,997	1,237	1,009	693	645	651	3,469	17,930	27,631	23,388
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	594	125	74	43	34	30	167	1,152	2,219	1,426
Receivables from Exchange Transactions - Property Rental Debtors	1700	65	44	320	11	11	11	85	855	1,403	974
Interest on Arrear Debtor Accounts	1810	588	563	530	508	490	473	2,535	8,847	14,534	12,852
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	603	93	27	(110)	56	(8)	1,093	(2,295)	(540)	(1,263)
Total By Income Source	2000	9,659	3,852	2,620	1,345	1,328	1,264	7,678	28,214	55,960	39,828
2015/16 - totals only	0	8,534	3,566	2,120	1,724	1,895	1,567	8,450	25,975	53,832	79,656
Debtors Age Analysis By Customer Group											
Organs of State	2200	1,371	234	193	62	75	49	370	2,073	4,428	2,630
Commercial	2300	4,146	1,363	842	413	353	367	2,018	4,500	14,002	7,651
Households	2400	3,028	1,502	853	550	457	427	2,532	12,816	22,164	16,781
Other	2500	1,115	753	732	321	444	420	2,757	8,824	15,366	12,766
Total By Customer Group	2600	9,659	3,852	2,620	1,345	1,328	1,264	7,678	28,214	55,960	39,828

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of September amount to R55, 960 million. The debtors' book is made up as follows:

- Rates 49.38%
- Electricity 19,14%
- Rental 2,51%
- Interest on Debtors 25.97%
- Refuse removal 3,97%
- Other – 0,97%

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 September 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 T NO	ACCOUNT HOLDER NAME	ERF NUMBER	TYPE	CATEGORY	TOWN	BALANCE	HAND OVER
9012345	BREED J & OOSTHUIZEN J F	90-000000026-0000RG-0000	OCCUPIER	AGRICULTURE	GROBLERSDAL	R 736,969.41	N
9900067	WATER PURIFICATION PLANT (SDM)	00-000000100-00000-0000	OCCUPIER	GOVERNMENT	GROBLERSDAL	R 437,472.72	Y
1501364	JAN JOUBERT TR (JO JO TANKS)	15-000001780-000000-0000	OWNER	INDUSTRIAL	GROBLERSDAL	R 413,387.49	N
211693	BOXER SUPERSTORE'ATT KERSHNEE	02-000000283-000000-0000	OCCUPIER	BUSINESS	GROBLERSDAL	R 284,625.04	N
9000000	REPUBLIEK VAN SUID-AFRIKA	90-000000012-00000-0000	OWNER	AGRICULTURE	FARMS JS	R 283,578.61	Y
6000908	DEPARTMENT OF EDUCATION	60-000000822-00000-0000	OWNER	RESIDENTIAL	MOTETEMA A	R 278,466.44	Y
1200305	BUNGELA LAMOLA BOTTLE STORE	12-000000768-00000-0000	OCCUPIER	BUSINESS	GROBLERSDAL	R 272,570.12	N
9001077	ROYAL SQUARE INV 361 CC	90-000000177-00000-0000	OWNER	AGRICULTURE	FARMS JS	R 252,996.69	Y
506535	BUMAZI PROPERTIES C/O BFW METERING	05-000000489-00003-0000	OCCUPIER	BUSINESS	GROBLERSDAL	R 242,922.71	N
2913	SHOPRITE/CHECKERS	00-000000100-00001-0000	OCCUPIER	MUNICIPAL	GROBLERSDAL	R 242,573.88	Y
9001035	NDEBELE MAHLANGU TRIBE	90-000000129-00000-0000	OWNER	AGRICULTURE	FARMS JS	R 237,514.30	Y
201885	SHOPRITE CHECKERS (PTY) LTD	02-000000984-00000-0000	OCCUPIER	BUSINESS	GROBLERSDAL	R 236,449.20	N
9000804	NATIONAL GOVERNMENT REPUBLIC OF SOUTH AFRICA	90-000000056-00002-0000	OWNER	AGRICULTURE	FARMS JS	R 215,784.49	Y
214913	MEAT SPOT	02-000000251-00007-0000	OCCUPIER	BUSINESS	GROBLERSDAL	R 205,875.72	N
9001052	NDEBELE STAM	90-000000153-00000-0000	OWNER	AGRICULTURE	FARMS JS	R 204,844.77	Y
9000628	LANDBOUNAVORSINGSRAAD	90-000000053-00111-0000	OWNER	AGRICULTURE	FARMS JS	R 201,264.27	Y
9001039	NDEBELE MAHLANGU TRIBE	90-000000133-00000-0000	OWNER	AGRICULTURE	FARMS JS	R 193,786.30	Y
9001055	NDEBELE STAM	90-000000157-00000-0000	OWNER	AGRICULTURE	FARMS JS	R 189,814.16	Y
5050505	MOBILE TELEPHONE NETWORKS (PTY) LTD	50-000002677-000000-0000	OCCUPIER	BUSINESS	ROOSSENEKAL	R 184,655.67	N
9001050	NDEBELE STAM	90-000000151-00000-0000	OWNER	AGRICULTURE	FARMS JS	R 178,273.33	Y
TOTAL						R5,493,825.32	

Supporting Table: SC 4 - Creditors Age Analysis

Description	NT Code	Budget Year 2016/17								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	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	1,746,638
41079	SHIRDO TRADING	1,716,890
41045	MASEKWAMENG TRADERS CC	1,035,943
37678	SHATADI DEVELOPERS	782,828
40054	SHONISANI RAMBAU CONSTRUCT	671,354
4001	MOKWENA MOTORS T/A NONYANE MOT	490,210
41049	SKY HIGH CONSULTING ENGINEERS	407,377
41048	IMBAWULA TRADING ENTERPRISE CC	302,424
80340	SHA-HENNE'S GUEST HOUSE	232,155
41099	ELEMENT CONSULTING ENGINEERS	225,875
512	PATRICK MAKGOKA CONSTRUCTION	198,582
41095	REAKGONA TRAVEL SERVICES	160,520
32409	MAKGONATSOHLE TRADING ENTERPRI	149,616
7989	MUNSOFT (PTY) LTD	97,446
37617	DITHEBELE LE MMAKOBO TRAVEL	70,242
41111	MOAGI TECHNOLOGIES	51,785
70085	CHEAP CHEAP TRAVEL	51,240
8926	PLANT MACHINARY KING	47,253
35510	MAGAUTA RECRUITMENT	43,943
41030	RORISANG BUSINESS SOLUTION	29,900
TOTAL		8,512,223

The above table presents the top twenty creditors paid during the month of September 2016 and an amount of R8, 512 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	30-Sep-2016	172	7.60%	40,466	(15,000)	25,639
Absa	1 Months	Short term	30-Sep-2016	95	7.45%	15,000	(15,095)	-
Absa - MIG	1 Months	Short term	30-Sep-2016	4	0.47%	752	(0)	756
Absa Call Account	1 Month	Short term	30-Sep-2016	3	5.00%	642	(0)	645
TOTAL INVESTMENTS AND INTEREST				274		56,861	(30,095)	27,040

Supporting table SC5 presents all investments that indicate that the total amount of R27, 040 million had been invested as at end of September 2016. The opening balance was R56, 861 million, an amount of R30, 095 million has been withdrawn as addition during the current month and accrued interest for the month amounted to R274 thousand.

Supporting Table: SC 6 - Transfers and Grant Receipts

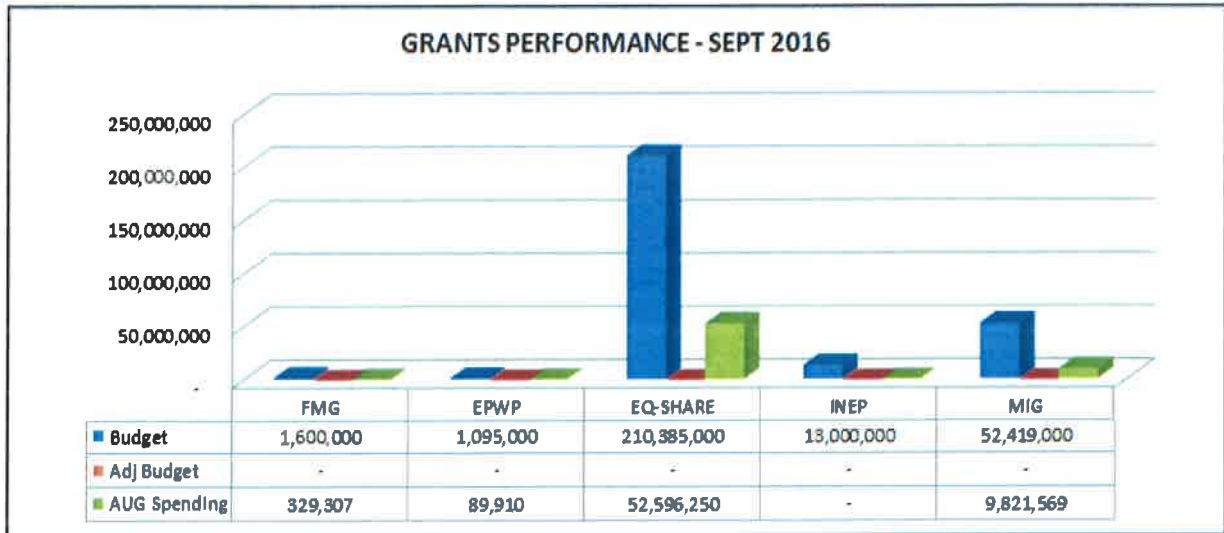
Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Operating Transfers and Grants									
National Government:	216,641	213,105	-	-	89,559	89,559	-		213,105
Local Government Equitable Share	212,948	210,385	-	-	87,660	87,660	-		210,385
Finance Management	1,600	1,625	-	-	1,625	1,625	-		1,625
Municipal Systems Improvement	930	-	-	-	-	-	-		-
EPWP Incentive	1,163	1,095	-	-	274	274	-		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	89,559	-		213,105
Capital Transfers and Grants									
National Government:	63,102	75,419	-	-	22,000	22,000	-		75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	-	-	22,000	22,000	-		62,419
Intergrated National Electrification Grant	10,000	13,000	-	-	-	-	-		13,000
Provincial Government:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
N/A	-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	63,102	75,419	-	-	22,000	22,000	-		75,419
TOTAL RECEIPTS OF TRANSFERS & GRANTS	279,743	288,524	-	-	111,559	111,559	-		288,524

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R111, 559 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	-	17,663	53,015	53,276	(261)	-0.5%	213,105
Local Government Equitable Share	212,948	210,385	-	17,532	52,596	52,596	(0)	0.0%	210,385
Finance Management	1,600	1,625	-	128	329	406	(77)	-18.9%	1,625
Municipal Systems Improvement	930	-	-	-	-	-	-	-	-
EPWP Incentive	1,163	1,095	-	3	90	274	(184)	-87.2%	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 expenditure of Transfers and Grants:	216,641	213,105	-	17,663	53,015	53,276	(261)	-0.5%	213,105
Capital expenditure of Transfers and Grants									
National Government:	63,102	75,419	-	4,693	9,822	18,855	(9,033)	-47.9%	75,419
Municipal Infrastructure Grant (MIG)	53,102	62,419	-	4,693	9,822	15,605	(5,783)	-37.1%	62,419
Intergrated National Electrification Grant	10,000	13,000	-	-	-	3,250	(3,250)	-100.0%	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	-	4,693	9,822	18,855	(9,033)	-47.9%	75,419
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	279,743	288,524	-	22,356	62,837	72,131	(9,294)	-12.9%	288,524

An amount of R22, 356 million has been spent on grants during the month of September 2016 and the year to date actuals is R62, 837 million whilst the year to date budget amounts to R72, 131 million and this results in underspending variance of R9, 294 (12.9%). Of the total spending R53, 015 million is spent from operational grant whilst R9, 822 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 September 2016. The grants expenditure is shown below in percentages:

- Financial Management Grant 20,58%
- Expanded Public Work Programme 8,21%
- Equitable Share 25.00%
- Municipal Infrastructure Grant 18.74%
- 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	12,825	13,424	-	981	3,184	3,358	(192)	-6%	13,424
Pension and UIF Contributions	1,076	1,080	-	134	365	270	95	35%	1,080
Medical Aid Contributions	339	275	-	19	70	69	2	2%	275
Motor Vehicle Allowance	3,983	4,000	-	385	1,126	1,000	126	13%	4,000
Cellphone Allowance	1,615	-	-	-	34	-	34	#DN/0/	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	128	-	-	-	32	(32)	-100%	128
Sub Total - Councillors	19,638	18,908	-	1,478	4,760	4,727	33	1%	18,908
Senior Managers of the Municipality									
Basic Salaries and Wages	4,473	5,708	-	410	2,544	1,428	1,117	78%	5,708
Pension and UIF Contributions	362	498	-	30	179	124	54	44%	498
Medical Aid Contributions	169	88	-	8	45	22	24	110%	88
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	718	793	-	56	337	198	138	70%	793
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	283	71	-	0	0	18	(17)	-98%	71
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	6,005	7,163	-	503	3,104	1,768	1,316	74%	7,153
Other Municipal Staff									
Basic Salaries and Wages	63,381	67,914	-	5,614	16,702	16,979	(277)	-2%	67,914
Pension and UIF Contributions	12,228	13,194	-	1,147	3,424	3,298	125	4%	13,194
Medical Aid Contributions	3,665	3,869	-	322	952	987	(15)	-2%	3,869
Overtime	2,589	1,060	-	173	609	265	344	130%	1,060
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	5,437	7,893	-	619	1,791	1,923	(133)	-7%	7,893
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	137	158	-	13	39	39	(1)	-2%	158
Other benefits and allowances	6,083	6,458	-	115	311	1,615	(1,304)	-81%	6,458
Payments in lieu of leave	502	1,060	-	199	314	265	49	18%	1,060
Long service awards	841	494	-	-	-	123	(123)	-100%	494
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	94,763	101,900	-	8,201	24,141	26,475	(1,334)	-6%	101,900
Total Parent Municipality	120,405	127,962	-	10,183	32,006	31,990	16	0%	127,962
Unpaid salary, allowances & benefits in arrears:									
TOTAL SALARY, ALLOWANCES & BENEFITS	120,405	127,962	-	10,183	32,006	31,990	16	0%	127,962
TOTAL MANAGERS AND STAFF	100,767	109,053	-	8,705	27,245	27,263	(18)	0%	109,053

Table SC8 provides details for Remuneration of Councillors and Employee related cost. The total salaries, allowances and benefits paid for September 2016 amounts to R10, 183 million (Year to date expenditure is R32, 006 million) and the expenditure for remuneration of councilors for the month amounts to R 1, 478 million while the year to date expenditure is R4, 760).

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	
Cash Receipts By Source																
Property rates	1,263	1,471	1,340	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	22,302	23,685	25,063	
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - electricity revenue	8,778	4,328	5,783	5,070	4,889	5,210	5,465	5,517	6,597	6,828	7,389	4,562	68,195	72,423	76,956	
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse	283	273	254	551	551	551	551	551	551	551	551	1,383	6,802	7,017	7,431	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	44	82	46	71	71	71	71	71	71	71	71	111	848	801	954	
Interest earned - external investments	388	311	274	310	315	350	350	350	360	381	381	48	3,229	4,066	4,306	
Interest earned - outstanding debtors	182	146	88	153	153	153	153	153	153	153	153	186	1,837	1,951	2,056	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines	18	80	44	18	18	48	41	30	18	50	48	403	5,060	428	453	
Licences and permits	427	-	347	422	422	422	422	422	422	422	422	913	5,060	5,373	5,651	
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer receipts - operating	87,660	1,859	-	-	70,457	-	-	328	52,596	-	-	164	213,105	227,853	243,113	
Other revenue	936	982	21	178	84	274	134	212	174	174	15	(1,042)	2,152	2,285	2,420	
Cash Receipts by Source	97,969	9,862	8,188	8,630	78,617	8,936	9,044	9,492	62,800	10,289	10,867	9,583	324,338	345,983	368,213	
Other Cash Flows by Source																
Transfer receipts - capital	22,000	2,296	4,693	22,435	2,730	3,900	-	2,730	19,198	-	-	(4,563)	75,419	66,212	69,396	
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	5,000	-	-	
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing long term/financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Increase in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Receipt of non-current debtors	22	36	2	60	45	124	14	30	12	14	18	123	500	531	562	
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source	120,911	11,915	12,883	31,125	81,692	12,960	9,668	12,252	82,010	10,303	10,905	10,244	405,257	412,726	438,161	
Cash Payments by Type																
Employee related costs	8,307	10,207	8,705	8,546	8,489	15,248	8,734	8,514	8,516	8,544	8,494	6,771	109,053	115,814	122,642	
Remuneration of councillors	1,615	1,667	1,478	1,576	1,576	1,576	1,576	1,576	1,576	1,576	1,576	1,542	18,908	20,081	21,265	
Interest paid	219	-	335	-	-	-	-	-	-	14,941	-	-	60	12	-	
Bulk purchases - Electricity	7,265	7,426	5,587	5,000	5,500	5,000	5,461	5,000	6,000	6,000	6,000	721	64,961	68,988	73,056	
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other materials	3,17	2,303	401	134	555	173	441	136	480	197	266	(1,457)	3,945	4,190	4,437	
Contracted services	3,766	4,051	7,239	1,498	1,798	1,528	2,328	1,378	2,498	1,428	1,628	(8,585)	20,550	18,638	19,738	
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grants and subsidies paid - other	96	196	187	152	202	152	227	152	152	252	152	225	2,128	2,280	2,393	
General expenses	7,325	4,243	5,910	4,964	5,829	3,841	5,087	6,017	4,513	4,661	4,873	3,562	60,826	60,495	61,379	
Cash Payments by Type	28,916	30,693	29,623	21,869	23,928	27,918	23,777	22,847	23,734	22,697	22,968	2,286	280,431	290,479	304,918	
Other Cash Flows/Payments by Type																
Capital assets	5,226	4,483	8,406	8,654	12,023	7,942	4,055	1,735	1,628	1,520	200	38,336	94,449	80,212	87,886	
Repayment of borrowing	800	-	701	780	780	780	780	780	780	780	780	1,618	9,357	6,264	-	
Other Cash Flows/Payments	14,031	-	-	-	-	-	-	-	-	-	-	(14,031)	-	-	-	
Total Cash Payments by Type	48,967	34,976	38,936	31,904	36,731	36,240	28,692	25,362	26,142	24,967	23,968	28,209	384,237	376,966	392,804	
NET INCREASE(DECREASE) IN CASH HELD	71,944	(22,661)	(26,047)	(379)	(4,861)	(23,280)	(19,994)	(13,109)	(6,868)	(14,695)	(13,063)	(7,965)	21,020	35,771	46,357	
Cash/cash equivalents at the month/year beginning	11,695	82,739	60,078	34,031	33,652	78,513	55,233	35,640	22,530	79,398	63,744	50,681	11,695	32,716	88,487	
Cash/cash equivalents at the month/year end	82,739	60,078	34,031	33,652	78,513	55,233	35,640	22,530	78,398	63,744	50,681	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 12, 883 million and the total cash payment for the month were R38 , 930 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2016/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
Monthly expenditure performance trend									
July	214	15,914	-	5,226	5,226	15,914	10,688	67.2%	5.53%
August	471	19,478	-	4,483	4,483	35,392	30,909	87.3%	4.75%
September	4,934	14,244	-	8,406	8,406	49,636	41,231	83.1%	8.90%
October	7,885	8,854	-	-	-	58,491	-		
November	20,182	14,023	-	-	-	72,514	-		
December	8,347	7,942	-	-	-	80,458	-		
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	-	18,116					

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of September amounts to R8, 406 million. The capital budget spending is way below the projected spending for September 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 R14, 244 million and only R8, 406 million has actually been spent. This reflects under spending variance of 83.1%.

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	36,600	-	3,666	6,776	9,125	2,349	26.7%	36,500
Infrastructure - Road transport	55,743	23,000	-	3,666	6,776	5,750	(1,026)	-17.8%	23,000
Roads, Pavements & Bridges	52,130	23,000	-	3,666	6,776	5,750	(1,026)	-17.8%	23,000
Storm water	3,613	-	-	-	-	-	-	-	-
Infrastructure - Electricity	21,297	13,000	-	-	-	3,250	3,250	100.0%	13,000
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticalation	14,156	13,000	-	-	-	3,250	3,250	100.0%	13,000
Street Lighting	7,141	-	-	-	-	-	-	-	-
Infrastructure - Other	-	500	-	-	-	125	125	100.0%	500
Waste Management	-	500	-	-	-	125	125	100.0%	500
Other	-	-	-	-	-	-	-	-	-
Community	-	700	-	-	-	175	175	100.0%	700
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	600	-	-	-	150	150	100.0%	600
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	100	-	-	-	25	25	100.0%	100
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	657	4,630	-	131	3,162	1,133	(2,049)	-180.9%	4,630
General vehicles	-	2,500	-	-	2,253	625	(1,628)	-260.4%	2,500
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	350	-	131	872	88	(785)	-896.9%	350
Furniture and other office equipment	-	300	-	-	29	75	46	61.3%	300
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	857	1,380	-	-	28	345	317	91.9%	1,380
Agricultural assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	77,698	41,730	-	3,797	9,957	10,433	475	4.6%	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	24,361	41,219	-	4,397	7,946	10,305	2,359	22.9%	41,219
Infrastructure - Road transport	23,064	39,719	-	4,397	7,946	9,930	1,984	20.0%	39,719
Roads, Pavements & Bridges	23,064	39,719	-	4,397	7,946	9,930	1,984	20.0%	39,719
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	532	1,500	-	-	-	375	375	100.0%	1,500
Generation	-	-	-	-	-	-	-	-	-
Transmission & Retification	532	1,500	-	-	-	375	375	100.0%	1,500
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Other	755	-	-	-	-	-	-	-	-
Waste Management	755	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	-	10,000	-	-	-	2,500	2,500	100.0%	10,000
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	10,000	-	-	-	2,500	2,500	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	-	212	212	375	163	43.5%	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	-	212	212	375	163	43.5%	1,500
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	356	-	-	-	-	-	-	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	31,820	52,719	-	4,609	8,168	13,180	5,022	38.1%	52,719

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

Description	2016/16	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	-	220	652	1,863	1,211	65.0%	7,450
Infrastructure - Road transport	883	3,300	-	52	52	825	773	93.7%	3,300
Roads, Pavements & Bridges	883	3,300	-	52	52	825	773	93.7%	3,300
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	1,001	1,800	-	168	455	450	(5)	-1.1%	1,800
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	1,001	1,800	-	168	455	450	(5)	-1.1%	1,800
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Other	1,209	2,350	-	-	145	588	443	75.3%	2,350
Waste Management	1,209	2,350	-	-	145	588	443	75.3%	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	-	233	2,615	1,691	(924)	-54.6%	6,765
General vehicles	1,427	1,300	-	211	540	325	(215)	-68.1%	1,300
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	2,749	1,500	-	-	367	375	8	2.1%	1,500
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	1,154	2,500	-	20	1,658	625	(1,033)	-165.2%	2,500
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	269	1,465	-	1	51	366	315	86.1%	1,465
Agricultural assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Intangibles	9	500	-	-	-	125	125	100.0%	500
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	9	500	-	-	-	125	125	100.0%	500
Total Repairs and Maintenance Expenditure	8,701	14,715	-	453	3,267	3,679	411	11.2%	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 R9, 957 million and the year to date budget is R10, 433 million which reflects 4.6% favorable variance. The spending on renewal of existing assets for September amounts R4, 609 million and the year to date actual is R8, 158 million with the year to date budget reflecting an amount of R13, 180 million and this reflects 38.1%.

The actual expenditure for the month of September 2016 on repairs and maintenance is R453, Thousand and the year to date actuals is R3, 267 million while the year to date budget is R3, 679 million, reflecting spending variance of 11.2%.

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 September 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 ... 17/10/2016 ... 17 OCT. 2016


Municipal Manager