

# ELIAS MOTSOLEDI LOCAL MUNICIPALITY



## MONTHLY BUDGET STATEMENT REPORT

**APRIL 2021**

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## **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 April or and relevant Provincial Treasury, the monthly budget statement in the prescribed format on the state of the municipality's financial results. It must be noted that 2021-21 financial year amounts are not yet audited.

### **IN YEAR BUDGET STATEMENT TABLES**

DESCRIPTION	2020/21			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	531 567 983	525 270 477	482 230 828	92%
		-		
OPERATING EXPENDITURE	512 448 796	516 327 989	333 379 239	65%
		-		
TRANSFER - CAPITAL	74 561 000	69 561 000	64 126 152	92%
SURPLUS/(DEFICIT)	93 680 187	78 503 488	212 977 741	271%
CAPITAL EXPENDITURE	89 279 520	88 376 820	66 858 848	76%

**Table C1 – Budget Statement Summary**

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Financial Performance</b>									
Property rates	35 773	38 345	38 345	3 223	32 830	30 439	2 391	8%	38 345
Service charges	95 493	110 873	99 873	7 937	82 313	101 671	(19 359)	-19%	99 873
Investment revenue	2 068	3 042	542	202	541	225	316	140%	542
Transfers and subsidies	273 218	293 916	351 806	199	345 867	350 941	(5 074)	-1%	351 806
Other own revenue	32 632	85 393	34 705	2 051	20 681	29 527	(8 846)	-30%	34 705
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>439 184</b>	<b>531 568</b>	<b>525 270</b>	<b>13 611</b>	<b>482 231</b>	<b>512 803</b>	<b>(30 572)</b>	<b>-6%</b>	<b>525 270</b>
Employee costs	141 837	169 749	159 477	11 731	127 796	132 360	(4 564)	-3%	159 477
Remuneration of Councillors	24 575	26 525	26 283	2 020	20 238	20 238	0	0%	26 283
Depreciation & asset impairment	56 343	55 163	57 163	-	-	-	-	-	57 163
Finance charges	3 538	1 184	2 633	72	2 575	2 594	(19)	-1%	2 633
Materials and bulk purchases	93 140	111 976	120 437	8 916	85 252	90 937	(5 685)	-6%	120 437
Transfers and subsidies	2 984	3 468	3 642	132	2 499	2 661	(162)	-6%	3 642
Other expenditure	142 158	144 385	146 692	9 349	95 018	101 854	(6 836)	-7%	146 692
<b>Total Expenditure</b>	<b>464 574</b>	<b>512 449</b>	<b>516 328</b>	<b>32 220</b>	<b>333 379</b>	<b>350 644</b>	<b>(17 265)</b>	<b>-5%</b>	<b>516 328</b>
<b>Surplus/(Deficit)</b>	<b>(25 390)</b>	<b>19 119</b>	<b>8 942</b>	<b>(18 608)</b>	<b>148 852</b>	<b>162 159</b>	<b>(13 307)</b>	<b>-8%</b>	<b>8 942</b>
Transfers and subsidies - capital (monetary allocations)	70 685	74 561	69 561	5 861	64 126	69 561	(5 435)	-8%	69 561
Transfers and subsidies - capital (monetary allocations)	21 471	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>66 766</b>	<b>93 680</b>	<b>78 503</b>	<b>(12 747)</b>	<b>212 978</b>	<b>231 720</b>	<b>(18 742)</b>	<b>-8%</b>	<b>78 503</b>
<b>Surplus/ (Deficit) for the year</b>	<b>66 766</b>	<b>93 680</b>	<b>78 503</b>	<b>(12 747)</b>	<b>212 978</b>	<b>231 720</b>	<b>(18 742)</b>	<b>-8%</b>	<b>78 503</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>92 168</b>	<b>89 280</b>	<b>88 323</b>	<b>5 599</b>	<b>66 859</b>	<b>74 608</b>	<b>(7 750)</b>	<b>-10%</b>	<b>88 323</b>
Capital transfers recognised	78 193	74 561	69 561	4 996	56 037	60 808	(4 771)	-8%	69 561
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	13 975	14 719	18 762	603	10 822	13 801	(2 978)	-22%	18 762
<b>Total sources of capital funds</b>	<b>92 168</b>	<b>89 280</b>	<b>88 323</b>	<b>5 599</b>	<b>66 859</b>	<b>74 608</b>	<b>(7 750)</b>	<b>-10%</b>	<b>88 323</b>
<b>Financial position</b>									
Total current assets	129 467	134 416	119 868		267 738				119 868
Total non current assets	1 125 020	1 286 031	1 290 074		1 177 995				1 290 074
Total current liabilities	125 568	93 706	92 781		119 093				92 781
Total non current liabilities	79 251	94 548	94 548		73 611				94 548
Community wealth/Equity	1 049 667	1 232 193	1 222 613		1 253 029				1 222 613
<b>Cash flows</b>									
Net cash from (used) operating	25 247	108 434	124 956	(24 014)	132 395	144 570	12 175	8%	124 956
Net cash from (used) investing	(85 303)	(87 593)	(87 918)	(5 599)	(66 859)	(65 459)	1 400	-2%	(87 918)
Net cash from (used) financing	(9 474)	(11 480)	(11 480)	(942)	(9 071)	(94 868)	(85 797)	90%	(11 480)
<b>Cash/cash equivalents at the month/year end</b>	<b>(44 548)</b>	<b>20 356</b>	<b>36 552</b>	<b>-</b>	<b>58 395</b>	<b>(4 762)</b>	<b>(63 156)</b>	<b>1326%</b>	<b>27 487</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
Debtors Age Analysis									
Total By Income Source	13 362	7 155	3 557	3 177	3 171	3 013	14 452	89 350	137 237
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 April is R482, 230 million and the year to date budget of R512, 803 million and this reflects a negative variance of R30, 572 million which is mostly attributable to equitable shares received amounting to R242, 777 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 140% favorable variance,
- Interest earned – outstanding debtors: 7% favorable variance,
- Rental on Facilities and Equipment: 7% unfavorable variance,
- Fines, penalties and forfeits: 94% unfavorable variance
- Services Charges – electricity revenue: 21% unfavorable variance
- Services Charges – refuse revenue: 11% favorable variance
- Licenses and permits: 3% unfavorable variance
- Property rates: 8% favorable variance
- Other revenue: 31% favorable
- Transfer and subsidies: 1% unfavorable

**Operating Expenditure**

The year to date operational expenditure as at end of April amounts to R333, 379 million and the year to date budget is R350, 644 million. This reflects underspending variance of R17, 265 million that translates to 5% variance. The variance is attributed underspending variance on depreciation and asset impairment and debt impairment that the municipality is still facing a challenge regarding the computation of monthly movement of the two accounts.

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

- Other Materials: 17% under performance
- Other expenditure: 14% under performance

The above material variances are explained more in detail on Supporting Tables SC 1

**Capital Expenditure**

The year to date actual capital expenditure as at end of April 2021 amounts to R66, 859 million and the year to date budget amounts to R74, 608 million and this gives rise to R7, 750 million under performance.

## **Surplus/Deficit**

Taking the above into consideration, the net operating surplus for the month of April is R212, 977 million that is mainly attributed over performance on capital and operating expenditure in the reporting period.

## **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of April amounts to R137, 237 million and this shows an increase of R28, 999 million as compared to R108, 238 million as at end of 2019/20 financial year.

Consumer debtors is made up of service charges and property rates that amount to R88, 138 million and other debtors amounting to R49, 100 million. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, the do not form part of consumer debtors.

## **Creditors**

All creditors are paid within 30 days of receipt of invoice in the month of April as required by MFMA and as a result.

**Table C2 – Financial Performance (Standard Classification)**

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	<b>223 026</b>	<b>228 630</b>	<b>277 913</b>	<b>5 025</b>	<b>262 573</b>	<b>264 576</b>	<b>(2 004)</b>	<b>-1%</b>	<b>277 913</b>
Executive and council	46 559	49 315	55 860	-	56 129	55 860	269	0%	55 860
Finance and administration	167 516	169 450	208 065	5 025	193 013	194 728	(1 715)	-1%	208 065
Internal audit	8 950	9 864	13 988	-	13 430	13 988	(558)	-4%	13 988
<b>Community and public safety</b>	<b>36 265</b>	<b>94 154</b>	<b>37 006</b>	<b>45</b>	<b>29 584</b>	<b>37 328</b>	<b>(7 744)</b>	<b>-21%</b>	<b>37 006</b>
Community and social services	9 633	10 636	11 376	9	11 499	11 376	123	1%	11 376
Sport and recreation	12 104	13 344	15 456	-	17 675	15 456	2 219	14%	15 456
Public safety	14 529	70 174	10 174	37	410	10 496	(10 086)	-96%	10 174
<b>Economic and environmental services</b>	<b>132 942</b>	<b>121 857</b>	<b>130 832</b>	<b>3 319</b>	<b>126 879</b>	<b>129 581</b>	<b>(2 702)</b>	<b>-2%</b>	<b>130 832</b>
Planning and development	21 248	23 604	26 971	234	29 984	26 747	3 237	12%	26 971
Road transport	110 541	96 853	100 627	3 085	95 279	99 600	(4 321)	-4%	100 627
Environmental protection	1 153	1 400	3 234	-	1 617	3 234	(1 617)	-50%	3 234
<b>Trading services</b>	<b>139 107</b>	<b>161 488</b>	<b>149 081</b>	<b>11 083</b>	<b>127 321</b>	<b>150 879</b>	<b>(23 558)</b>	<b>-16%</b>	<b>149 081</b>
Energy sources	110 981	130 709	114 001	10 339	94 838	118 060	(23 223)	-20%	114 001
Waste management	28 126	30 779	35 080	744	32 483	32 819	(336)	-1%	35 080
<b>Total Revenue - Functional</b>	<b>531 340</b>	<b>606 129</b>	<b>594 831</b>	<b>19 473</b>	<b>546 357</b>	<b>582 364</b>	<b>(36 007)</b>	<b>-6%</b>	<b>594 831</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>210 068</b>	<b>216 242</b>	<b>221 947</b>	<b>15 632</b>	<b>164 659</b>	<b>171 691</b>	<b>(7 032)</b>	<b>-4%</b>	<b>221 947</b>
Executive and council	50 877	49 314	45 093	3 248	33 565	34 356	(791)	-2%	45 093
Finance and administration	152 835	158 383	169 754	10 693	125 035	132 648	(7 612)	-6%	169 754
Internal audit	6 356	8 545	7 099	1 691	6 059	4 688	1 371	29%	7 099
<b>Community and public safety</b>	<b>25 269</b>	<b>61 707</b>	<b>45 423</b>	<b>2 268</b>	<b>24 423</b>	<b>28 396</b>	<b>(3 973)</b>	<b>-14%</b>	<b>45 423</b>
Community and social services	5 097	8 269	8 789	437	4 924	6 649	(1 725)	-26%	8 789
Sport and recreation	6 833	10 698	10 206	542	6 009	7 416	(1 408)	-19%	10 206
Public safety	13 339	42 740	26 428	1 289	13 490	14 330	(840)	-6%	26 428
<b>Economic and environmental services</b>	<b>91 700</b>	<b>97 667</b>	<b>98 963</b>	<b>4 750</b>	<b>42 711</b>	<b>44 619</b>	<b>(1 908)</b>	<b>-4%</b>	<b>98 963</b>
Planning and development	14 923	16 561	13 821	828	10 046	10 935	(889)	-8%	13 821
Road transport	76 178	80 487	84 515	3 874	32 135	33 155	(1 020)	-3%	84 515
Environmental protection	598	619	626	48	530	529	1	0%	626
<b>Trading services</b>	<b>137 538</b>	<b>136 832</b>	<b>149 995</b>	<b>9 570</b>	<b>101 587</b>	<b>105 939</b>	<b>(4 351)</b>	<b>-4%</b>	<b>149 995</b>
Energy sources	93 187	111 667	116 490	7 214	77 857	81 544	(3 687)	-5%	116 490
Waste management	44 351	25 165	33 505	2 356	23 730	24 394	(664)	-3%	33 505
<b>Total Expenditure - Functional</b>	<b>464 574</b>	<b>512 449</b>	<b>516 328</b>	<b>32 220</b>	<b>333 379</b>	<b>350 644</b>	<b>(17 265)</b>	<b>-5%</b>	<b>516 328</b>
<b>Surplus/ (Deficit) for the year</b>	<b>66 766</b>	<b>93 680</b>	<b>78 503</b>	<b>(12 747)</b>	<b>212 978</b>	<b>231 720</b>	<b>(18 742)</b>	<b>-8%</b>	<b>78 503</b>

**Table C3 – Financial Performance (Revenue and Expenditure by vote)**

Vote Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	41 231	43 443	49 146	-	49 347	49 146	200	0%	49 146
Vote 2 - Municipal Manager	35 643	39 284	48 377	-	47 408	48 377	(969)	-2%	48 377
Vote 3 - Budget & Treasury	72 301	66 279	82 337	5 025	73 834	68 975	4 859	7%	82 337
Vote 4 - Corporate Services	40 504	44 328	53 656	0	51 220	53 681	(2 461)	-5%	53 656
Vote 5 - Community Services	69 521	135 511	82 668	1 102	70 511	79 702	(9 191)	-12%	82 668
Vote 6 - Technical Services	239 261	241 319	234 888	13 112	209 778	238 948	(29 170)	-12%	234 888
Vote 7 - Developmental Planning	14 650	16 332	18 658	234	21 585	18 434	3 151	17%	18 658
Vote 8 - Executive Support	18 229	19 633	25 102	-	22 675	25 102	(2 427)	-10%	25 102
<b>Total Revenue by Vote</b>	<b>531 340</b>	<b>606 129</b>	<b>594 831</b>	<b>19 473</b>	<b>546 357</b>	<b>582 364</b>	<b>(36 007)</b>	<b>-6%</b>	<b>594 831</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	42 975	41 789	40 511	2 689	29 884	30 780	(896)	-3%	40 511
Vote 2 - Municipal Manager	49 330	39 198	44 072	4 325	39 052	38 511	541	1%	44 072
Vote 3 - Budget & Treasury	55 077	62 769	67 880	5 034	50 387	52 145	(1 758)	-3%	67 880
Vote 4 - Corporate Services	24 723	36 795	27 703	1 358	15 296	19 730	(4 435)	-22%	27 703
Vote 5 - Community Services	77 292	96 097	87 405	5 264	55 126	59 736	(4 610)	-8%	87 405
Vote 6 - Technical Services	186 065	207 387	217 613	11 488	119 016	123 562	(4 546)	-4%	217 613
Vote 7 - Developmental Planning	8 942	11 455	8 892	533	5 999	7 031	(1 031)	-15%	8 892
Vote 8 - Executive Support	20 169	16 960	22 253	1 530	18 619	19 148	(529)	-3%	22 253
<b>Total Expenditure by Vote</b>	<b>464 574</b>	<b>512 449</b>	<b>516 328</b>	<b>32 220</b>	<b>333 379</b>	<b>350 644</b>	<b>(17 265)</b>	<b>-5%</b>	<b>516 328</b>
<b>Surplus/ (Deficit) for the year</b>	<b>66 766</b>	<b>93 680</b>	<b>78 503</b>	<b>(12 747)</b>	<b>212 978</b>	<b>231 720</b>	<b>(18 742)</b>	<b>-8%</b>	<b>78 503</b>

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	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue By Source</b>									
Property rates	35 773	38 345	38 345	3 223	32 830	30 439	2 391	8%	38 345
Service charges - electricity revenue	87 068	101 945	90 945	7 192	74 907	95 005	(20 098)	-21%	90 945
Service charges - refuse revenue	8 425	8 928	8 928	744	7 406	6 667	739	11%	8 928
Rental of facilities and equipment	897	1 220	834	57	775	834	(59)	-7%	834
Interest earned - external investments	2 068	3 042	542	202	541	225	316	140%	542
Interest earned - outstanding debtors	12 170	6 656	17 946	1 514	14 015	13 039	975	7%	17 946
Fines, penalties and forfeits	14 570	70 242	10 242	40	604	10 578	(9 975)	-94%	10 242
Licences and permits	3 939	6 344	5 044	309	3 888	4 003	(115)	-3%	5 044
Transfers and subsidies	273 218	293 916	351 806	199	345 867	350 941	(5 074)	-1%	351 806
Other revenue	1 066	931	639	132	1 399	1 072	327	31%	639
Gains	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>439 184</b>	<b>531 568</b>	<b>525 270</b>	<b>13 611</b>	<b>482 231</b>	<b>512 803</b>	<b>(30 572)</b>	<b>-6%</b>	<b>525 270</b>
<b>Expenditure By Type</b>									
Employee related costs	141 837	169 749	159 477	11 731	127 796	132 360	(4 564)	-3%	159 477
Remuneration of councillors	24 575	26 525	26 283	2 020	20 238	20 238	0	0%	26 283
Debt impairment	13 246	42 658	19 858	-	-	-	-	0%	19 858
Depreciation & asset impairment	56 343	55 163	57 163	-	-	-	-	0%	57 163
Finance charges	3 538	1 184	2 633	72	2 575	2 594	(19)	-1%	2 633
Bulk purchases	81 428	94 047	94 047	6 251	67 648	69 687	(2 040)	-3%	94 047
Other materials	11 713	17 929	26 390	2 665	17 604	21 250	(3 645)	-17%	26 390
Contracted services	83 969	60 660	78 622	7 444	63 433	65 120	(1 687)	-3%	78 622
Transfers and subsidies	2 984	3 468	3 642	132	2 499	2 661	(162)	-6%	3 642
Other expenditure	46 003	41 067	48 213	1 905	31 585	36 734	(5 149)	-14%	48 213
Losses	(1 060)	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>464 574</b>	<b>512 449</b>	<b>516 328</b>	<b>32 220</b>	<b>333 379</b>	<b>350 644</b>	<b>(17 265)</b>	<b>-5%</b>	<b>516 328</b>
<b>Surplus/(Deficit)</b>	<b>(25 390)</b>	<b>19 119</b>	<b>8 942</b>	<b>(18 608)</b>	<b>148 852</b>	<b>162 159</b>	<b>(13 307)</b>	<b>-8%</b>	<b>8 942</b>
Transfers and subsidies - capital (monetary allocations)	70 685	74 561	69 561	5 861	64 126	69 561	(5 435)	-8%	69 561
Transfers and subsidies - capital (monetary allocations)	21 471	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>66 766</b>	<b>93 680</b>	<b>78 503</b>	<b>(12 747)</b>	<b>212 978</b>	<b>231 720</b>			<b>78 503</b>
Taxation									
<b>Surplus/(Deficit) after taxation</b>	<b>66 766</b>	<b>93 680</b>	<b>78 503</b>	<b>(12 747)</b>	<b>212 978</b>	<b>231 720</b>			<b>78 503</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>66 766</b>	<b>93 680</b>	<b>78 503</b>	<b>(12 747)</b>	<b>212 978</b>	<b>231 720</b>			<b>78 503</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>66 766</b>	<b>93 680</b>	<b>78 503</b>	<b>(12 747)</b>	<b>212 978</b>	<b>231 720</b>			<b>78 503</b>

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections are on property rates, service charges – electricity, refuse, rental of facilities and equipment, interest earned – external investments, interest on outstanding debtors, fines, penalties and forfeits, licenses and permits and other revenue.

In the case of expenditure, the following line items reflect material variance; Remuneration of councillors, Bulk purchases, other expenditure, debt impairment, depreciation and asset impairment, finance charges, employee related costs, other materials, and transfer and subsidies.

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

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

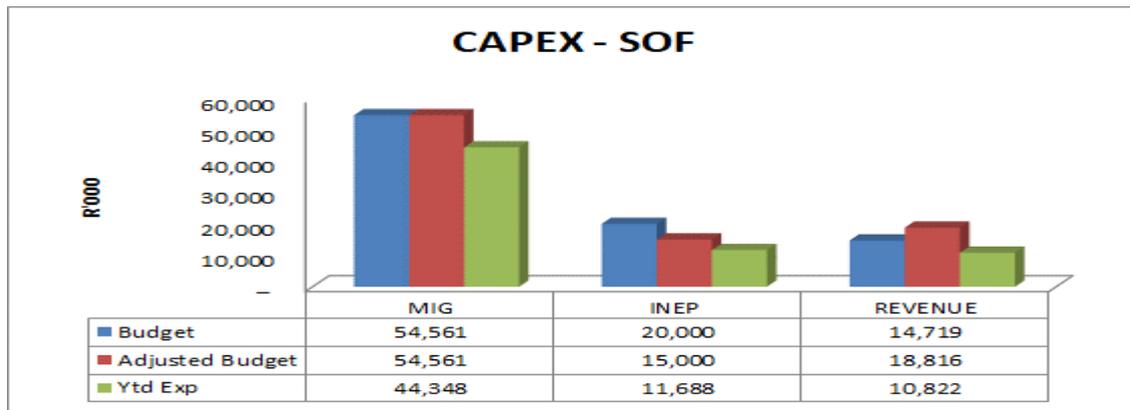
Vote Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	1 957	1 900	1 400	78	583	1 000	(417)	-42%	1 400
Executive and council							-		
Finance and administration	1 957	1 900	1 400	78	583	1 000	(417)	-42%	1 400
Internal audit							-		
<b>Community and public safety</b>	-	2 200	2 290	139	464	1 429	(965)	-68%	2 290
Community and social services		600	720	-	-	325	(325)	-100%	720
Sport and recreation		1 000	800	139	464	645	(180)	-28%	800
Public safety		600	770	-	-	459	(459)	-100%	770
Housing							-		
Health							-		
<b>Economic and environmental services</b>	69 833	64 830	69 633	2 909	54 123	60 330	(6 207)	-10%	69 633
Planning and development							-		
Road transport	69 833	64 830	69 633	2 909	54 123	60 330	(6 207)	-10%	69 633
Environmental protection							-		
<b>Trading services</b>	20 378	20 350	15 000	2 473	11 688	11 849	(161)	-1%	15 000
Energy sources	18 954	20 350	15 000	2 473	11 688	11 849	(161)	-1%	15 000
Waste management	1 424	-		-	-	-	-		-
Other							-		
<b>Total Capital Expenditure - Functional Classification</b>	<b>92 168</b>	<b>89 280</b>	<b>88 323</b>	<b>5 599</b>	<b>66 859</b>	<b>74 608</b>	<b>(7 750)</b>	<b>-10%</b>	<b>88 323</b>
<b>Funded by:</b>									
National Government	56 721	74 561	69 561	4 996	56 037	60 808	(4 771)	-8%	69 561
Provincial Government	21 471	-					-		-
District Municipality							-		
Transfers and subsidies - capital (monetary allocations)							-		
<b>Transfers recognised - capital</b>	<b>78 193</b>	<b>74 561</b>	<b>69 561</b>	<b>4 996</b>	<b>56 037</b>	<b>60 808</b>	<b>(4 771)</b>	<b>-8%</b>	<b>69 561</b>
Borrowing							-		
Internally generated funds	13 975	14 719	18 762	603	10 822	13 801	(2 978)	-22%	18 762
<b>Total Capital Funding</b>	<b>92 168</b>	<b>89 280</b>	<b>88 323</b>	<b>5 599</b>	<b>66 859</b>	<b>74 608</b>	<b>(7 750)</b>	<b>-10%</b>	<b>88 323</b>

**Table C5C: Monthly Capital Expenditure by Vote**

Vote Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	1 050	1 050	78	583	814	(230)	-28%	1 050
Vote 5 - Community Services	-	-	120	-	-	57	(57)	-100%	120
Vote 6 - Technical Services	46 151	13 240	8 262	-	7 964	8 352	(388)	-5%	8 262
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>46 151</b>	<b>14 290</b>	<b>9 432</b>	<b>78</b>	<b>8 547</b>	<b>9 222</b>	<b>(675)</b>	<b>-7%</b>	<b>9 432</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	350	350	-	-	132	(132)	-100%	350
Vote 4 - Corporate Services	633	500	-	-	-	-	-	-	-
Vote 5 - Community Services	1 424	2 200	2 170	139	464	1 372	(908)	-66%	2 170
Vote 6 - Technical Services	43 960	71 939	76 371	5 382	57 847	63 882	(6 035)	-9%	76 371
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>46 017</b>	<b>74 989</b>	<b>78 891</b>	<b>5 521</b>	<b>58 311</b>	<b>65 386</b>	<b>(7 075)</b>	<b>-11%</b>	<b>78 891</b>
<b>Total Capital Expenditure</b>	<b>92 168</b>	<b>89 280</b>	<b>88 323</b>	<b>5 599</b>	<b>66 859</b>	<b>74 608</b>	<b>(7 750)</b>	<b>-10%</b>	<b>88 323</b>

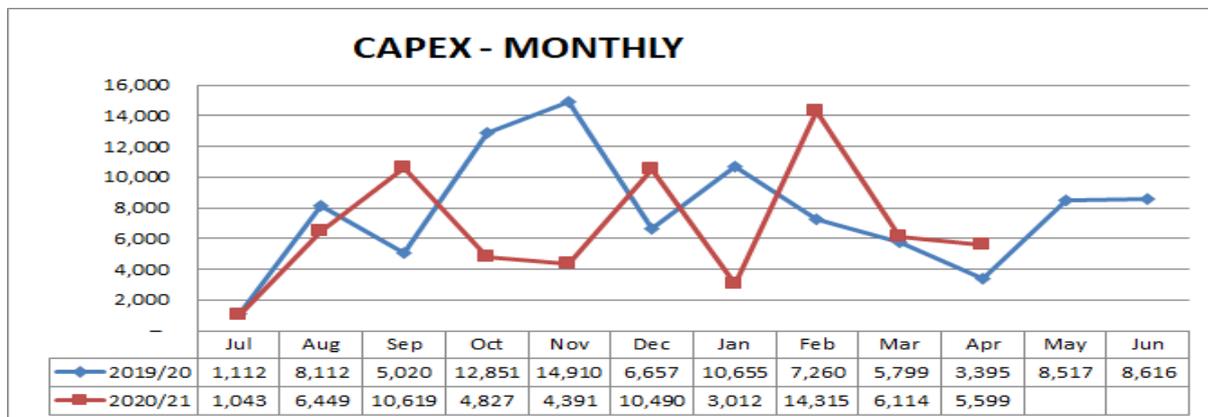
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of April 2021, R5, 559 million spending is incurred and that increased the year to date expenditure to R66, 859 million whilst the year to date budget is R74, 608 million and this gave rise to under spending variance of R7, 750 million that translates to 10%.

**Figure 1: Capital expenditure by source**



The above graph shows the components of sources of finance for capital budget. Of the total adjusted capital budget of R88, 377 million, R54, 561 million is funded from Municipal Infrastructure grant, R15, 000 million from Integrated National Electrification Programme and R18, 816 million from own revenue and the spending per source of finance is presented in the above graph.

**Figure 2: Monthly capital expenditure**



The above graph compares the 2019/20 and 2021/21 monthly capital expenditure performance.

**Table C6: Monthly Budget Statement Financial Position**

Description	2019/20	Budget Year 2020/21			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	1 929	12 300	4 758	18 189	4 758
Call investment deposits	–	8 056	18 056	40 206	18 056
Consumer debtors	65 806	54 594	55 619	97 994	55 619
Other debtors	53 542	53 957	38 742	99 627	38 742
Current portion of long-term receivables	–	–	–	–	–
Inventory	8 190	5 510	2 693	11 722	2 693
<b>Total current assets</b>	<b>129 467</b>	<b>134 416</b>	<b>119 868</b>	<b>267 738</b>	<b>119 868</b>
<b>Non current assets</b>					
Long-term receivables				–	–
Investments	–	–		–	–
Investment property	60 324	48 000	48 000	60 324	48 000
Investments in Associate					
Property, plant and equipment	1 048 853	1 223 249	1 227 292	1 115 712	1 227 292
Biological				–	–
Intangible	31	30	30	31	30
Other non-current assets	15 811	14 752	14 752	1 928	14 752
<b>Total non current assets</b>	<b>1 125 020</b>	<b>1 286 031</b>	<b>1 290 074</b>	<b>1 177 995</b>	<b>1 290 074</b>
<b>TOTAL ASSETS</b>	<b>1 254 487</b>	<b>1 420 447</b>	<b>1 409 942</b>	<b>1 445 733</b>	<b>1 409 942</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	–	–		–	–
Borrowing	10 975	10 980	10 980	6 550	10 980
Consumer deposits	5 516	5 701	5 701	5 774	5 701
Trade and other payables	106 573	71 167	70 243	104 015	70 243
Provisions	2 504	5 857	5 857	2 754	5 857
<b>Total current liabilities</b>	<b>125 568</b>	<b>93 706</b>	<b>92 781</b>	<b>119 093</b>	<b>92 781</b>
<b>Non current liabilities</b>					
Borrowing	2 444	–	–	–	–
Provisions	76 807	94 548	94 548	73 611	94 548
<b>Total non current liabilities</b>	<b>79 251</b>	<b>94 548</b>	<b>94 548</b>	<b>73 611</b>	<b>94 548</b>
<b>TOTAL LIABILITIES</b>	<b>204 819</b>	<b>188 254</b>	<b>187 329</b>	<b>192 704</b>	<b>187 329</b>
<b>NET ASSETS</b>	<b>1 049 667</b>	<b>1 232 193</b>	<b>1 222 613</b>	<b>1 253 029</b>	<b>1 222 613</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
<b>Accumulated Surplus/(Deficit)</b>	<b>1 049 667</b>	<b>1 232 193</b>	<b>1 212 613</b>	<b>1 243 029</b>	<b>1 212 613</b>
<b>Reserves</b>			<b>10 000</b>	<b>10 000</b>	<b>10 000</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1 049 667</b>	<b>1 232 193</b>	<b>1 222 613</b>	<b>1 253 029</b>	<b>1 222 613</b>

The above table shows that community wealth amounts to R1, 253 billion, total liabilities R192, 704 million and the total assets R1, 445 billion. Non-current liabilities are mainly made up of borrowing and provisions for long service award, landfill site. Taking the current liabilities and current assets together, the municipality has current ratio of 2.2:1 that is within the acceptable norm of 2:1. The municipality still needs to keep the current liabilities low and increase the current assets to strengthen the liquidity ratio.

**Table C7: Monthly Budget Statement Cash Flow**

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	24 332	26 841	26 841	1 726	19 754	26 118	(6 364)	-24%	26 841
Service charges	83 646	94 138	85 338	5 791	70 730	72 326	(1 596)	-2%	85 338
Other revenue	21 376	20 268	8 968	1 405	30 330	31 635	(1 305)	-4%	8 968
Transfers and Subsidies - Operational	273 214	293 916	351 806	-	347 058	349 896	(2 838)	-1%	351 806
Transfers and Subsidies - Capital	73 921	74 561	69 561	-	69 561	69 561	-	0%	69 561
Interest	1 768	4 373	11 979	282	1 339	2 506	(1 167)	-47%	11 979
<b>Payments</b>									
Suppliers and employees	(447 788)	(401 012)	(423 262)	(33 015)	(401 302)	(402 256)	(954)	0%	(423 262)
Finance charges	(2 592)	(1 184)	(2 633)	(72)	(2 575)	(2 645)	(70)	3%	(2 633)
Transfers and Grants	(2 632)	(3 468)	(3 642)	(132)	(2 499)	(2 570)	(70)	3%	(3 642)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>25 247</b>	<b>108 434</b>	<b>124 956</b>	<b>(24 014)</b>	<b>132 395</b>	<b>144 570</b>	<b>12 175</b>	<b>8%</b>	<b>124 956</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(85 303)	(87 593)	(87 918)	(5 599)	(66 859)	(65 459)	1 400	-2%	(87 918)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(85 303)</b>	<b>(87 593)</b>	<b>(87 918)</b>	<b>(5 599)</b>	<b>(66 859)</b>	<b>(65 459)</b>	<b>1 400</b>	<b>-2%</b>	<b>(87 918)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	(500)	(500)	-	-	(281)	281	-100%	(500)
Increase (decrease) in consumer deposits	196	-	-	-	-	-	-	-	-
<b>Payments</b>									
Repayment of borrowing	(9 670)	(10 980)	(10 980)	(942)	(9 071)	(9 459)	(388)	4%	(10 980)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(9 474)</b>	<b>(11 480)</b>	<b>(11 480)</b>	<b>(942)</b>	<b>(9 071)</b>	<b>(9 740)</b>	<b>(65 797)</b>	<b>90%</b>	<b>(11 480)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(69 530)</b>	<b>9 361</b>	<b>25 558</b>	<b>(30 554)</b>	<b>56 465</b>	<b>69 372</b>			<b>25 558</b>
Cash/cash equivalents at beginning:	24 982	10 995	10 995	-	1 929	10 995			1 929
Cash/cash equivalents at month/year end:	(44 548)	20 356	36 552	-	58 395	80 367			27 487

Table C7 presents details pertaining to cash flow performance. As at end of April 2021, the net cash inflow from operating activities is R132, 395 million whilst net cash outflow from investing activities is R66, 859 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R9, 071 million. The cash and cash equivalent held at end of April 2021 amounted to R58, 395 million and the net effect of the above cash flows is cash outflow movement of 56, 465 million. The cash and cash equivalent at end of the reporting period of R58, 395 million, is mainly made up of cash in the primary bank account amounting to R18, 189 million and short-term investment amounting to R40, 206.

## PART 2: SUPPORTING TABLES

Supporting Table: SC 1 Material Variance Explanations

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>Revenue By Source</b>			
Property rates	8%	The projected monthly revenue appear to be lower in light of the actual revenue performance	No remedial action is needed since the variance is immaterial and the adjusted budget has been finalised.
Service charges - electricity revenue	-21%	The projected monthly revenue appear to be high in light of the actual revenue performance	No remedial action is needed
Service charges - refuse revenue	11%	The actual revenue generated is slightly more than the projected monthly revenue	No remedial action is needed
Rental of facilities and equipment	-7%	The actual revenue generated is lower than the projected monthly revenue and the majority of the rented assets are not at arm's length transactions	The municipality should look into the revenue generated on their rental of facilities to see if they generate cash as they are rented out
Interest earned - external investments	140%	The municipality has short term investment with NEDBANK and the actual revenue is more than the projected revenue.	The municipality should draft cash flow projections pain which will assist if there is a need to invest
Interest earned - outstanding debtors	7%	The projected revenue is lower than the actual revenue generated.	No remedial action is needed
Fines, penalties and forfeits	-94%	The contract of the speed line cameras has been appointed however there is still challenges on revenue collection.	No remedial action is needed
Licences and permits	-3%	The actual revenue generated is slightly lower than the projected monthly revenue	No remedial action is needed
Transfers and subsidies	-1%	The equitable share trenches received is lower than the projections thereof	No remedial action is needed as the adjustment budget has been finalised.
Other revenue	31%	The actual revenue generated is lower than the projected monthly revenue.	No remedial action is needed as the variance is immaterial
<b>Expenditure By Type</b>			
Employee related costs	-3%	The actual expenditure incurred on employee related costs are less than the projections thereof	The expenditure should improve as soon as the appoint of vacant positions are filled
Remuneration of councillors	0%	The actual expenditure incurred on remuneration of councillors is equals to the projected monthly expenditure	No remedial action is needed as the adjustment budget has been finalised.
Debt impairment	0%	Debt impairment is still calculated at year end	The municipality should do away with this approach as it not viable
Depreciation & asset impairment	0%	Depreciation is still calculated at year end	The municipality should do away with this approach as it not viable
Finance charges	-1%	Finance charges is mainly for finance lease and the leased invoices are not captured before System closure	The expenditure unit should prioritise the capturing of invoice prior to month end closure
Bulk purchases	-3%	The municipal licenced electrification areas have increased and the projections are more than the actual expenditure thereof.	No remedial action is needed for now.
Other materials	-17%	The discrepancy is caused by non spending on repairs and maintenance and the major portion of other materials as the results of lockdown since the fewer material is consumed.	No remedial action is needed
Contracted services	-3%	The actual expenditure incurred is less than the projected monthly expenditure	Major contracted payments should be captured immediately when they are paid to minimize the difference between the actual and projected.
Transfers and subsidies	-6%	The actual expenditure incurred is slightly more than the projected monthly expenditure	No remedial action is needed
Other expenditure	-14%	The actual expenditure incurred is less than the projected monthly expenditure	No remedial action is needed for now.

### Supporting Table: SC 1 Material Variance Explanations (Continuation)

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>Capital Expenditure</b>			
National Government	-8%	The projections on capital grants is more than the spending thereof	No remedial action is needed
Provincial Government	0%		
Internally generated funds	-22%	The actual spending of internally generated funds are over projected	No remedial action is needed
<b>Cash Flow</b>			
Property rates	-24%	The actual collection rate on property rates is less than the projected rate	No remedial action is needed
Service charges	-2%	The collection rate on service charges is slightly lower than the projected rate	The municipality should come up strategies of collection methods in licenced municipal areas
Other revenue	-4%	The collection rate on leased assets are over projected	The municipality should come up with strategies to ensure that all leased municipal assets are rented out as projected
Government - operating	-1%	All grants have been received to this date and the projections are not in line with payment schedule.	No remedial action is needed
Interest	-47%	Interest on on other revenue is over projected to the under collection from other debtors	No remedial action is needed
Suppliers and employees	0%	The actual costs incurred is slightly lower than the projected costs	No remedial action is needed
Finance charges	3%	The finance charges have been over projected.	There should be a short term investment so the capital could earn interest
Capital assets	-2%	The projected capital expenditure on capex is slightly lower than the actual spending thereof.	All the expected first trench of the grants have been received in line with their payment schedule
Transfers and Grants	3%	The payments relating to this account are slightly lower than the projections thereof	No remedial action is needed
Increase (decrease) in consumer deposits	3%	Consumer deposits were significantly more than the projection thereof	
Repayment of borrowing	4%	Projected repayments is higher than the actual Payment	No remedial action is needed

### Supporting Table: SC 3 - Debtors Age Analysis

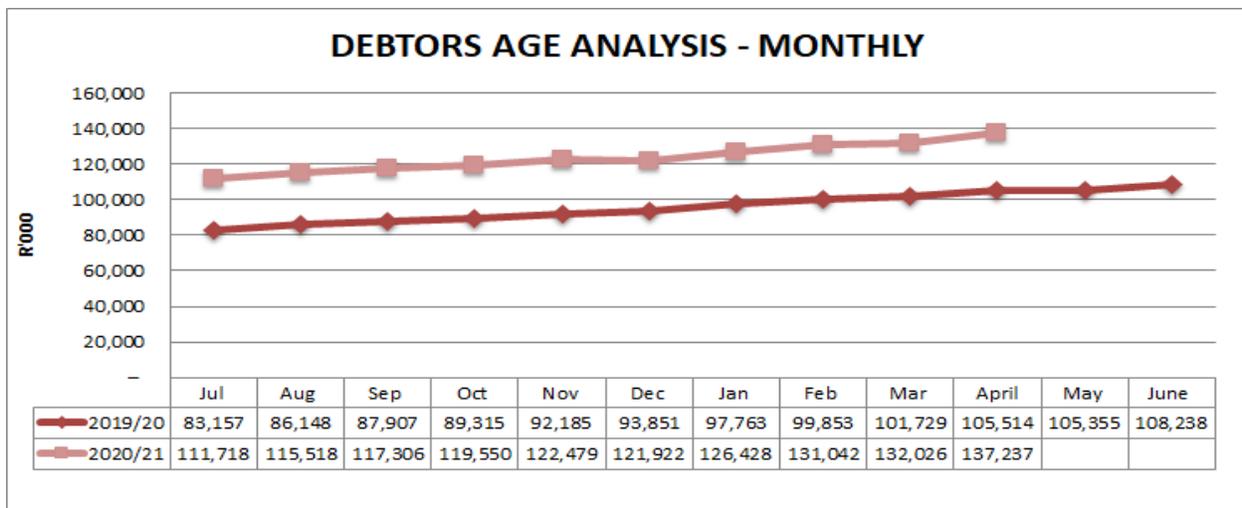
Description	Budget Year 2020/21											Bad Debts Written Off	Impairmen t - Bad Debts	
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days				
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Electricity	6 986	2 841	226	92	178	85	208	3 221	13 837	3 784				
Receivables from Non-exchange Transactions - Property Rates	3 297	1 846	1 326	1 288	1 259	1 233	6 252	38 417	54 918	48 449				
Receivables from Exchange Transactions - Waste Management	749	503	421	405	403	401	2 282	12 810	17 973	16 301				
Receivables from Exchange Transactions - Property Rental Debtors	57	144	142	17	17	17	33	983	1 410	1 067				
Interest on Arrear Debtor Accounts	1 515	1 440	1 380	1 340	1 303	1 282	6 988	30 804	46 050	41 716				
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-				
Other	759	381	63	35	11	(5)	(1 312)	3 117	3 049	1 846				
<b>Total By Income Source</b>	<b>13 362</b>	<b>7 155</b>	<b>3 557</b>	<b>3 177</b>	<b>3 171</b>	<b>3 013</b>	<b>14 452</b>	<b>89 350</b>	<b>137 237</b>	<b>113 163</b>	-	-		
<b>2019/20 - totals only</b>	<b>11 089</b>	<b>4 781</b>	<b>3 306</b>	<b>2 934</b>	<b>2 675</b>	<b>2 528</b>	<b>13 881</b>	<b>67 045</b>	<b>108 238</b>	<b>89 062</b>				
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	1 632	1 149	801	776	721	717	2 547	20 780	29 123	25 541				
Commercial	6 749	3 132	581	480	501	462	1 870	11 822	25 598	15 136				
Households	4 276	2 128	1 438	1 334	1 375	1 256	7 032	37 681	56 520	48 678				
Other	705	746	737	586	575	578	3 003	19 067	25 997	23 808				
<b>Total By Customer Group</b>	<b>13 362</b>	<b>7 155</b>	<b>3 557</b>	<b>3 177</b>	<b>3 171</b>	<b>3 013</b>	<b>14 452</b>	<b>89 350</b>	<b>137 237</b>	<b>113 163</b>	-	-		

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of April amount to R137, 237 million. The debtors' book is made up as follows:

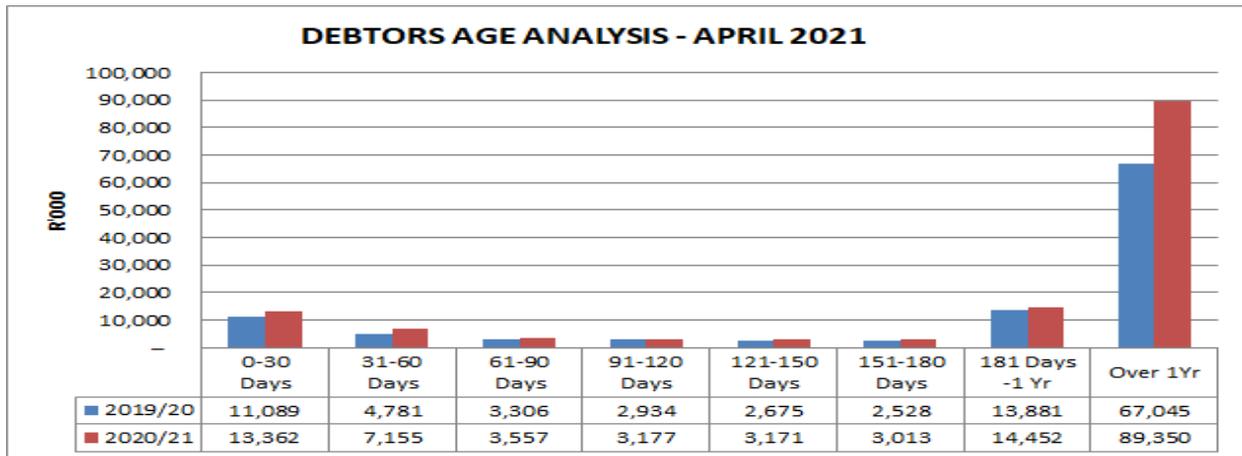
- Rates 40%
- Electricity 10%
- Rental 1%
- Refuse removal 13%
- Interest on Debtors 34%
- Other 2%

The debtors' age analysis is graphically presented below.

**Figure 3: Debtors age analysis**



**Figure 4: Monthly debtors book**



The initial graph compares debtors' age analysis for 2019/20 financial year and 2021/21 (as at end of April 2021) whilst the latter shows monthly movement of debtors for both the current financial year and the 2019/20 financial year. The debtors book is materially less than the 2021/21 monthly figures and this is an indication that the municipality is not performing well in terms of collection.

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

## TOP TWENTY DEBTORS

ACCOUNT NO	ACCOUNT HOLDER NAME	ACCOUNT STATUS	OCC/OWN	OUTSTANDING BALANCE
9005301	TWIN CITY TRADING PTY LTD 0000 PLUS 1 OTHER	ACTIVE	OWNER	3 526 273
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	634 691
9000276	DEPARTMENT OF PUBLIC WORKS-PROVINCIAL	ACTIVE	OWNER	860 984
6000908	DEPARTMENT OF EDUCATION	ACTIVE	OWNER	561 601
800000478	DAYBREAK PROP 3 PTY LTD	ACTIVE	OWNER	510 550
1200062	GREAT NORTH TRANSPORT	ACTIVE	OCCUPIER	349 628
5001708	UNITRADE 518 (PTY) LTD	ACTIVE	OWNER	147 257
9002065	GOVERNMENT OF KWANDEBELE	ACTIVE	OWNER	173 240
2200702	NAMIB FAMILY TRUST	ACTIVE	OWNER	164 100
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	OWNER	158 519
7000918	MATHEBULA JABULANI JACK TITUS	ACTIVE	OWNER	215 953
1501364	JAN JOUBERT TR (JO JO TANKS)	ACTIVE	OWNER	283 184
20494	BREAKAWAY TRUST	ACTIVE	OWNER	226 800
9002958	PROVINCIAL GOVERNMENT OF LIMPO	ACTIVE	OWNER	125 096
9900067	WATER PURIFICATION PLANT (SDM)	ACTIVE	OCCUPIER	268 840
4300009	BONUREX (PTY) LTD (CHICKEN LICKEN)	ACTIVE	OCCUPIER	224 519
9002503	GOUWS BOERDERY TRUST	ACTIVE	OWNER	148 498
9000400	UITZOECHT LANDGOED CC	ACTIVE	OWNER	114 466
9019006	TIGER STRIPES INVESTMENTS (PTY	ACTIVE	OWNER	145 256
5002109	VAN AARD FJ(MAPOCHH	ACTIVE	OCCUPIER	89 920
<b>TOTAL</b>				<b>8 929 374</b>

## Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2020/21									Prior year totals for chart	
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity										-	
Bulk Water										-	
PAYE deductions										-	
VAT (output less input)										-	
Pensions / Retirement deductions										-	
Loan repayments										-	
Trade Creditors										-	
Auditor General										-	
Other										-	
<b>Total By Customer Type</b>	-	-	-	-	-	-	-	-	-	-	-

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. The municipality is having challenges relating to extraction of creditors age analysis and below are the contributing factors:

- Goods received vouchers (GRV) are only processed on the system as and when we are about to pay and this approach distorts the entire picture of ageing our creditors since the system will count the number of days taken to process an invoice from the date the GRV is processed.
- The contracted services are to be paid through order system payments and that should feed the age analysis module.

Proposal was made that the municipality need to maintain the invoice register that should be used for manually updating the creditors age analysis and the Budget and Treasury department is in a process of implementing the proposed register.

## TOP CREDITORS PAID

The Municipality had an amount of R17, 833 million as outstanding creditors by the end of the month of April 2021.

CODE	CREDITOR NAME	AMOUNT
1	ESKOM	6 510 076
80984	GUBIS 85 SOLUTION	1 983 959
81098	AUDITOR GENERAL OF SOUTH AFRICA	1 673 023
80900	MARKET DEMAND TRADING 773	1 564 305
41006	LEFHUMO LWA BAREMA TRADING	1 238 936
81001	JUST-BREEZE JV TLOU YA HLAKA	942 400
31372	TSHEPHO LEGODI TRADING	854 915
81006	MADITSI JAN CONSRUCTION	678 000
80472	DOLMEN ENGINEERS	292 900
81002	SELEMA PLANT HIRE	286 817
81041	LEKONAKONETSI CONSULTING SERVI	239 583
81042	MATUPUNUKA ICT	231 461
81130	KNORYZ	230 580
1004	LERMAT CONSTRUCTION & PROJECTS	195 500
80958	POKOLOKO (PTY) LTD	185 000
80959	MINATLOU TRADING	168 012
530	RENA BATSWAKO TRANSPORT AND CO	150 000
7989	MUNSOFT (PTY) LTD	149 300
81124	KOKIE SALMIDAH TRADING	138 900
81057	AES CONSULTING CC	120 218
<b>TOTAL</b>		<b>17 833 884</b>

## Supporting Table: SC 5 - Investment Portfolio

Name of institution	Period of Investment	Type of Investment	Interest Rate	Commissi on Paid	Expiry date	Opening balance	Interest Realised	Withdrawal	Investment Top Up	Closing Balance
NEDBANK (037881068264/0058)	1 Month	Current Investment	4.2%		19-Apr-21	30 047 926	61 619	(30 109 545)	-	-
NEDBANK (037881068264/0059)	1 Month	Current Investment	4.2%		21-May-21	20 032 449	69 534	-	-	20 101 984
NEDBANK (037881068264/0060)	1 Month	Current Investment	4.3%		17-Jun-21	20 033 101	70 932	-	-	20 104 033
<b>TOTAL INVESTMENTS AND INTEREST</b>						<b>70 113 477</b>	<b>202 085</b>	<b>(30 109 545)</b>	<b>-</b>	<b>40 206 016</b>

The Municipality's current investment portfolio during the month April started with an balance of R70 113 million, earned an interest of R202 thousand, withdrew R30, 109 million and closed with the balance of R40, 206 million.

## Supporting Table: SC 6 - Transfers and Grant Receipts

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>273 218</b>	<b>293 320</b>	<b>351 806</b>	<b>-</b>	<b>347 058</b>	<b>347 058</b>	<b>-</b>	<b>-</b>	<b>351 806</b>
Local Government Equitable Share	269 013	289 039	347 525	-	342 777	342 777	-	-	347 525
Finance Management	2 235	2 600	2 600	-	2 600	2 600	-	-	2 600
EPWP Incentive	1 374	1 681	1 681	-	1 681	1 681	-	-	1 681
Disaster Relief Grant COVID-19 (Corona virus)	596	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Total Operating Transfers and Grants</b>	<b>273 218</b>	<b>293 320</b>	<b>351 806</b>	<b>-</b>	<b>347 058</b>	<b>347 058</b>	<b>-</b>	<b>-</b>	<b>351 806</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>73 921</b>	<b>74 561</b>	<b>69 561</b>	<b>-</b>	<b>68 891</b>	<b>69 561</b>	<b>-</b>	<b>-</b>	<b>69 561</b>
Municipal Infrastructure Grant (MIG)	54 921	54 561	54 561	-	53 891	54 561	-	-	54 561
Integrated National Electrification Grant	19 000	20 000	15 000	-	15 000	15 000	-	-	15 000
<b>Provincial Government:</b>	<b>21 771</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Coghsla - Development	21 771	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Total Capital Transfers and Grants</b>	<b>95 692</b>	<b>74 561</b>	<b>69 561</b>	<b>-</b>	<b>68 891</b>	<b>69 561</b>	<b>-</b>	<b>-</b>	<b>69 561</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>368 910</b>	<b>367 881</b>	<b>421 367</b>	<b>-</b>	<b>415 949</b>	<b>416 619</b>	<b>-</b>	<b>-</b>	<b>421 367</b>

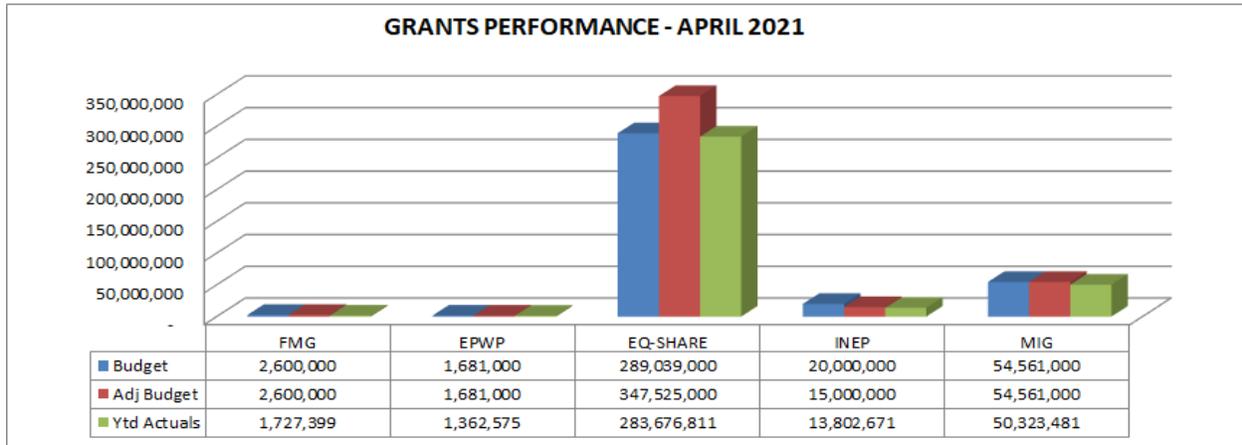
Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R347, 058 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R342, 777 million; Municipal Infrastructure Grant amounting to R53, 891 million; Integrated National Energy Grant R15, 000 million, Financial Management Grant R2, 600 million and Expanded Public Works Programme R1,681 million were received. Most of the first trench of the grants allocated for the current financial year, so far have been received in line with National Treasury payment schedule.

## Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	273 218	293 320	351 806	29 159	286 767	351 551	(64 785)	-18%	351 806
Local Government Equitable Share	269 013	289 039	347 525	28 960	283 677	347 525	(63 848)	-18%	347 525
Finance Management	2 235	2 600	2 600	85	1 727	2 600	(873)	-34%	2 600
EPWP Incentive	1 374	1 681	1 681	113	1 363	1 427	(64)	-4%	1 681
Disaster Relief Grant.COVID-19 (Corona virus)	596	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	-	-	-	-	-	-	-	-	-
N/A									
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
N/A									
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
N/A									
<b>Total operating expenditure of Transfers and Grants:</b>	273 218	293 320	351 806	29 159	286 767	351 551	(64 785)	-18%	351 806
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	70 685	74 561	69 561	5 861	64 126	69 561	(5 435)	-8%	69 561
Municipal Infrastructure Grant (MIG)	51 731	54 561	54 561	2 715	50 323	54 561	(4 238)	-8%	54 561
Intergrated National Electrification Grant	18 954	20 000	15 000	3 147	13 803	15 000	(1 197)	-8%	15 000
<b>Provincial Government:</b>	21 471	-	-	-	-	-	-	-	-
Coghsta - Development	21 471	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
N/A									
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
N/A									
<b>Total capital expenditure of Transfers and Grants</b>	92 156	74 561	69 561	5 861	64 126	69 561	(5 435)	-8%	69 561
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	365 374	367 881	421 367	35 020	350 893	421 112	(70 220)	-17%	421 367

An amount of R35, 020 million has been spent on grants during the month of April 2021 and the year to date actuals is R350, 893 million whilst the year to date budget amounts to R421, 112 million and this results in under spending variance of R70, 220 million that translates to 17%. Of the total spending amounting to R35, 020 million, R29, 159 million is spent on operational grants whilst capital grants amounts to R5, 861 million.

**Figure 5: Grants performance**



The above graph depicts the gazetted and budgeted amounts for all the grants and the expenditure thereof as at end of April 2021. The grants expenditure are shown below in percentages:

- Financial Management Grant 66.44%
- Expanded Public Work Programme 81.06%
- Equitable Share 81.63%
- Integrated National Electrification Grant 92.02%
- Municipal Infrastructure Grant 92.23%

## Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councillor remuneration	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	14 458	15 692	15 392	1 179	11 826	11 826	-		15 392
Pension and UIF Contributions	1 713	1 761	1 776	132	1 335	1 335	-		1 776
Medical Aid Contributions	319	340	383	34	328	328	0	0%	383
Motor Vehicle Allowance	5 149	5 622	5 622	431	4 306	4 306	-		5 622
Cellphone Allowance	2 701	2 877	2 877	226	2 257	2 257	-		2 877
Other benefits and allowances	235	234	234	19	186	186	-		234
<b>Sub Total - Councillors</b>	<b>24 575</b>	<b>26 525</b>	<b>26 283</b>	<b>2 020</b>	<b>20 238</b>	<b>20 238</b>	<b>0</b>	<b>0%</b>	<b>26 283</b>
<b>% increase</b>		<b>8%</b>	<b>7%</b>						<b>7%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	4 938	6 540	4 855	325	3 419	3 854	(435)	-11%	4 855
Pension and UIF Contributions	178	202	288	12	126	169	(43)	-25%	288
Medical Aid Contributions	82	85	88	7	72	72	-		88
Motor Vehicle Allowance	661	791	649	36	389	477	(87)	-18%	649
Cellphone Allowance	168	-	145	9	100	121	(21)	-17%	145
Other benefits and allowances	446	376	394	53	460	445	15	3%	394
Payments in lieu of leave	18	-	-	-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>	<b>6 491</b>	<b>7 993</b>	<b>6 419</b>	<b>443</b>	<b>4 567</b>	<b>5 138</b>	<b>(571)</b>	<b>-11%</b>	<b>6 419</b>
<b>% increase</b>		<b>23%</b>	<b>-1%</b>						<b>-1%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	87 892	99 984	94 731	7 709	79 392	79 854	(462)	-1%	94 731
Pension and UIF Contributions	17 806	26 133	19 658	1 572	15 817	15 914	(97)	-1%	19 658
Medical Aid Contributions	5 555	8 477	5 239	429	4 355	4 363	(8)	0%	5 239
Overtime	1 443	974	1 811	109	1 037	1 290	(253)	-20%	1 811
Motor Vehicle Allowance	11 056	12 848	12 526	1 007	10 015	10 159	(145)	-1%	12 526
Cellphone Allowance	1 786	102	1 897	158	1 580	1 585	(4)	0%	1 897
Housing Allowances	179	17	204	17	172	172	-		204
Other benefits and allowances	5 710	12 488	15 123	169	8 878	12 071	(3 193)	-26%	15 123
Payments in lieu of leave	3 479	-	439	69	813	480	333	70%	439
Long service awards	439	733	1 429	49	1 171	1 334	(164)	-12%	1 429
Post-retirement benefit obligations							-		
<b>Sub Total - Other Municipal Staff</b>	<b>135 345</b>	<b>161 756</b>	<b>153 058</b>	<b>11 288</b>	<b>123 230</b>	<b>127 222</b>	<b>(3 993)</b>	<b>-3%</b>	<b>153 058</b>
<b>% increase</b>		<b>20%</b>	<b>13%</b>						<b>13%</b>
<b>Total Parent Municipality</b>	<b>166 412</b>	<b>196 274</b>	<b>185 760</b>	<b>13 751</b>	<b>148 035</b>	<b>152 598</b>	<b>(4 564)</b>	<b>-3%</b>	<b>185 760</b>
		<b>18%</b>	<b>12%</b>						<b>12%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>166 412</b>	<b>196 274</b>	<b>185 760</b>	<b>13 751</b>	<b>148 035</b>	<b>152 598</b>	<b>(4 564)</b>	<b>-3%</b>	<b>185 760</b>
<b>% increase</b>		<b>18%</b>	<b>12%</b>						<b>12%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>141 837</b>	<b>169 749</b>	<b>159 477</b>	<b>11 731</b>	<b>127 796</b>	<b>132 360</b>	<b>(4 564)</b>	<b>-3%</b>	<b>159 477</b>

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of April 2021 amounts to R148, 035 million and the year to date budget is R152, 598 million and the expenditure for remuneration of councilors amounts to R20, 238 million while the year to date budget is R20, 238 million. The year to date actual expenditure for senior managers is R4, 567 million and the year to date budget thereof is R5, 138 million. There is one senior management vacant position (Budget and Treasury) and this is causing underspending variance on budget performance for senior management. The year to date actuals for other municipal staff is R123, 230 million and the year to date budget is R127, 222 million. The remuneration of councilors and other municipal staff category has underspending variance, and there is only one vacant position in the senior management level and the position in the new financial year 2021/21.

## Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts

Description	Budget Year 2020/21												2020/21 Medium Term Revenue &		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Budget	June Budget	Year 2020/21	Year +1 2021/22	Year +2 2022/23
<b>Cash Receipts By Source</b>															
Property rates	2 023	1 960	2 294	2 510	2 072	1 645	1 195	1 820	2 509	1 726	2 224	4 864	26 841	28 076	29 367
Service charges - electricity revenue	5 482	6 173	7 122	6 798	7 023	6 488	6 835	6 906	8 921	5 459	7 389	14 096	88 692	92 772	97 039
Service charges - refuse	339	290	392	397	368	342	357	314	392	332	464	1 459	5 446	5 697	5 959
Rental of facilities and equipment	38	58	41	43	30	23	24	187	85	25	72	233	860	899	941
Interest earned - external investments	-	-	83	29	-	-	-	-	-	202	722	2 005	3 042	3 182	3 328
Interest earned - outstanding debtors	80	91	158	141	75	88	74	119	117	80	210	97	1 331	1 392	1 457
Fines, penalties and forfeits	39	35	39	31	1	36	96	87	200	40	991	10 539	12 134	12 554	12 994
Licences and permits	367	347	469	535	434	218	325	436	449	309	1 135	1 320	6 344	6 635	6 941
Transfers and Subsidies - Operational	130 489	2 600	-	756	-	140 449	-	504	72 260	-	-	(53 142)	293 916	314 089	333 501
Other revenue	1 735	1 183	1 374	1 618	1 296	2 323	1 386	7 623	5 713	1 032	100	(24 453)	931	974	1 018
<b>Cash Receipts by Source</b>	<b>140 592</b>	<b>12 737</b>	<b>11 972</b>	<b>12 859</b>	<b>11 300</b>	<b>151 613</b>	<b>10 291</b>	<b>17 996</b>	<b>90 647</b>	<b>9 204</b>	<b>13 306</b>	<b>(42 980)</b>	<b>439 537</b>	<b>466 270</b>	<b>492 544</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations)	16 470	5 000	-	14 830	8 000	15 650	-	2 000	7 611	-	-	5 000	74 561	77 207	72 606
Transfers and subsidies - capital (monetary allocations)															
Proceeds on Disposal of Fixed and Intangible Assets															
Short term loans															
Borrowing long term/refinancing															
Increase (decrease) in consumer deposits															
Decrease (increase) in non-current receivables															
Decrease (increase) in non-current investments															
<b>Total Cash Receipts by Source</b>	<b>157 062</b>	<b>17 737</b>	<b>11 972</b>	<b>27 689</b>	<b>19 300</b>	<b>167 263</b>	<b>10 291</b>	<b>19 996</b>	<b>98 258</b>	<b>9 204</b>	<b>13 268</b>	<b>(38 442)</b>	<b>513 598</b>	<b>542 997</b>	<b>564 630</b>
<b>Cash Payments by Type</b>															
Employee related costs	12 071	11 833	11 686	11 691	11 767	19 642	13 128	12 277	11 971	11 731	13 242	28 710	169 749	177 557	185 725
Remuneration of councillors	2 020	2 020	2 020	2 020	2 020	2 056	2 020	2 020	2 020	2 020	2 183	4 104	26 525	27 745	29 021
Interest paid	-	115	1 185	101	90	608	270	75	61	72	-	(1 391)	1 184	83	15
Bulk purchases - Electricity	22 318	9 105	8 055	8 682	268	6 421	6 204	7 258	6 961	6 251	8 800	3 724	94 047	98 937	107 743
Other materials	178	1 016	1 779	877	237	361	563	975	6 407	2 665	966	(7 060)	8 964	12 707	13 522
Contracted services	33 407	2 528	4 351	11 653	3 057	10 605	7 867	6 396	6 736	7 444	3 850	(37 233)	60 660	57 320	59 107
Grants and subsidies paid - other	244	192	358	260	244	354	252	-	463	132	247	721	3 468	3 605	3 747
General expenses	1 676	5 029	2 117	11 838	146	23 011	11 939	1 331	2 654	2 904	3 025	(24 602)	41 067	39 436	41 140
<b>Cash Payments by Type</b>	<b>71 914</b>	<b>31 838</b>	<b>31 551</b>	<b>47 121</b>	<b>17 829</b>	<b>63 057</b>	<b>42 242</b>	<b>30 332</b>	<b>37 273</b>	<b>33 218</b>	<b>32 314</b>	<b>(33 026)</b>	<b>405 664</b>	<b>417 391</b>	<b>440 021</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	1 043	6 449	10 619	4 827	4 391	10 490	3 012	14 315	6 114	5 599	7 987	12 747	87 593	93 994	94 483
Repayment of borrowing	872	881	888	896	903	911	918	926	934	942	958	951	10 980	2 489	-
Other Cash Flows/Payments															
<b>Total Cash Payments by Type</b>	<b>73 830</b>	<b>39 168</b>	<b>43 059</b>	<b>52 844</b>	<b>23 123</b>	<b>74 459</b>	<b>46 173</b>	<b>45 573</b>	<b>44 321</b>	<b>39 758</b>	<b>41 258</b>	<b>(19 328)</b>	<b>504 236</b>	<b>513 874</b>	<b>534 504</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>83 232</b>	<b>(21 430)</b>	<b>(31 087)</b>	<b>(25 155)</b>	<b>(3 823)</b>	<b>92 804</b>	<b>(35 882)</b>	<b>(25 577)</b>	<b>53 937</b>	<b>(30 554)</b>	<b>(27 990)</b>	<b>(19 113)</b>	<b>9 361</b>	<b>29 123</b>	<b>30 126</b>
Cash/cash equivalents at the month/year beginning:	1 929	85 161	63 731	32 644	7 489	3 666	96 470	60 589	35 012	88 948	58 395	30 404	1 929	11 291	40 414
Cash/cash equivalents at the month/year end:	85 161	63 731	32 644	7 489	3 666	96 470	60 589	35 012	88 948	58 395	30 404	11 291	11 291	40 414	70 540

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 R9, 204 million and the total cash payment for the month were R39, 758 million and this resulted in net decrease in cash held amounting to R30, 554 million. With cash and cash equivalent of R88, 948 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R58, 395 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC 12 Capital Expenditure Trend

Month	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
<b>Monthly expenditure performance trend</b>									
July	1 112	6 438	6 438	1 043	1 043	6 438	5 394	84%	1%
August	8 112	4 370	4 370	6 449	7 492	10 808	3 316	31%	8%
September	5 020	8 862	8 862	10 619	18 111	19 670	1 558	8%	20%
October	12 851	6 303	6 303	4 827	22 938	25 973	3 035	12%	26%
November	14 910	8 248	8 248	4 391	27 329	34 221	6 892	20%	31%
December	6 657	9 508	9 508	10 490	37 819	43 729	5 910	14%	42%
January	10 655	3 141	3 141	3 012	40 832	46 870	6 038	13%	46%
February	7 260	6 205	6 205	14 315	55 146	53 075	(2 071)	-4%	62%
March	5 799	5 653	9 231	6 114	61 260	62 306	1 045	2%	69%
April	3 395	8 602	10 186	5 599	66 859	72 491	5 632	8%	75%
May	8 517	11 684	7 968			80 459	-		
June	13 671	10 265	7 918			88 377	-		
<b>Total Capital expenditure</b>	<b>97 961</b>	<b>89 280</b>	<b>88 377</b>	<b>66 859</b>					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of April amounts to R5, 599 million. The year to date actual expenditure incurred is R66, 859 million whilst the year to date budget is R72, 491 million that gives rise to under spending variance of R5, 632 million that translate to 8%.

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

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on new assets by Asset Class</b>									
<b>Infrastructure</b>	67 457	20 000	15 000	2 473	11 688	11 849	161	1%	15 000
<b>Roads Infrastructure</b>	51 346	-	-	-	-	-	-	-	-
Roads	51 346	-	-	-	-	-	-	-	-
Road Structures							-	-	
Road Furniture							-	-	
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Drainage Collection							-	-	
<b>Electrical Infrastructure</b>	16 111	20 000	15 000	2 473	11 688	11 849	161	1%	15 000
HV Substations							-	-	
HV Switching Station							-	-	
HV Transmission Conductors							-	-	
MV Networks	16 111	20 000	15 000	2 473	11 688	11 849	161	1%	15 000
<b>Solid Waste Infrastructure</b>	-	-	-	-	-	-	-	-	-
Landfill Sites							-	-	
Waste Transfer Stations							-	-	
Waste Processing Facilities							-	-	
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Libraries							-	-	
Cemeteries/Crematoria							-	-	
Police							-	-	
<b>Other assets</b>	-	2 339	2 120	-	1 350	1 809	459	25%	2 120
Municipal Offices		600	770			459	459	100%	770
Workshops		1 739	1 350	-	1 350	1 350	-	-	1 350
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes							-	-	
Licences and Rights	-	-	-	-	-	-	-	-	-
Computer Software and Applications							-	-	
<b>Computer Equipment</b>	38	250	679	-	242	242	-	-	679
Computer Equipment	38	250	679	-	242	242	-	-	679
<b>Furniture and Office Equipment</b>	526	800	371	78	341	571	230	40%	371
Furniture and Office Equipment	526	800	371	78	341	571	230	40%	371
<b>Machinery and Equipment</b>	1 492	1 200	1 196	132	186	519	334	64%	1 196
Machinery and Equipment	1 492	1 200	1 196	132	186	519	334	64%	1 196
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-
Transport Assets							-	-	
<b>Total Capital Expenditure on new assets</b>	69 514	24 589	19 366	2 682	13 807	14 991	1 184	8%	19 366

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

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on renewal of existing assets by Asset Class</b>									
<b>Infrastructure</b>	10 527	46 940	51 487	162	40 489	46 836	6 347	14%	51 487
<b>Roads Infrastructure</b>	10 527	39 222	51 387	162	40 489	46 801	6 312	13%	51 387
Roads	10 527	39 222	51 387	162	40 489	46 801	6 312	13%	51 387
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks							-		
<b>Solid Waste Infrastructure</b>	-	7 719	100	-	-	35	35	100%	100
Landfill Sites		7 719	100			35	35	100%	100
Waste Transfer Stations							-		
<b>Community Assets</b>	-	600	720	-	-	325	325	100%	720
Libraries							-		
Cemeteries/Crematoria		600	720			325	325	100%	720
Police							-		
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
<b>Other assets</b>	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices							-		
Workshops							-		
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on renewal of existing assets</b>	10 527	47 540	52 207	162	40 489	47 161	6 673	14.1%	52 207

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

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Repairs and maintenance expenditure by Asset Class</b>									
<b>Infrastructure</b>	5 119	9 729	14 607	1 344	9 157	9 073	(85)	-1%	14 607
<b>Roads Infrastructure</b>	161	4 892	7 783	335	5 827	5 649	(178)	-3%	7 783
Roads	161	4 892	7 783	335	5 827	5 649	(178)	-3%	7 783
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	2 180	1 845	2 889	676	1 067	1 288	221	17%	2 889
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	2 180	1 845	2 889	676	1 067	1 288	221	17%	2 889
<b>Solid Waste Infrastructure</b>	2 778	2 993	3 935	333	2 264	2 136	(128)	-6%	3 935
Landfill Sites	2 778	2 993	3 935	333	2 264	2 136	(128)	-6%	3 935
Waste Transfer Stations							-		
<b>Community Assets</b>	-	306	1 500	-	-	431	431	100%	1 500
Community Facilities	-	306	1 500	-	-	431	431	100%	1 500
Libraries							-		
Parks		306	1 500	-	-	431	431	100%	1 500
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
<b>Other assets</b>	1 497	1 845	2 490	1 335	1 974	676	(1 298)	-192%	2 490
Operational Buildings	1 497	1 845	2 490	1 335	1 974	676	(1 298)	-192%	2 490
Workshops							-		
<b>Intangible Assets</b>	-	425	180	-	-	32	32	100%	180
Servitudes							-		
Computer Software and Applications		425	180	-	-	32	32	100%	180
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	1 306	1 214	1 655	162	1 295	1 266	(29)	-2%	1 655
Machinery and Equipment	1 306	1 214	1 655	162	1 295	1 266	(29)	-2%	1 655
<b>Transport Assets</b>	2 727	1 854	2 768	93	2 503	2 649	146	6%	2 768
Transport Assets	2 727	1 854	2 768	93	2 503	2 649	146	6%	2 768
<b>Total Repairs and Maintenance Expenditure</b>	10 649	15 373	23 200	2 934	14 929	14 126	(803)	-5.7%	23 200

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

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	41 654	40 059	40 059	-	-	17 873	17 873	100%	40 059
<b>Roads Infrastructure</b>	36 797	29 935	29 935	-	-	14 807	14 807	100%	29 935
Roads	36 797	29 935	29 935			14 807	14 807	100%	29 935
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	4	3 953	3 953	-	-	1 308	1 308	100%	3 953
Attenuation							-		
<b>Electrical Infrastructure</b>	4 156	5 501	5 501	-	-	1 586	1 586	100%	5 501
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	4 156	5 501	5 501			1 586	1 586	100%	5 501
<b>Solid Waste Infrastructure</b>	697	670	670	-	-	172	172	100%	670
Landfill Sites	697	670	670			172	172	100%	670
Waste Transfer Stations							-		
<b>Community Assets</b>	1 209	3 108	3 108	-	-	2	2	100%	3 108
Cemeteries/Crematoria	1 209	3 108	3 108			2	2	100%	3 108
Police							-		
<b>Other assets</b>	4 079	500	500	-	-	499	499	0	500
Operational Buildings	4 079	500	500	-	-	499	499	100%	500
Workshops							-		
<b>Intangible Assets</b>	1 169	402	402	-	-	-	-		402
Servitudes							-		
Computer Software and Applications	1 169	402	402				-		402
<b>Computer Equipment</b>	644	1 616	1 616	-	-	278	278	100%	1 616
Computer Equipment	644	1 616	1 616			278	278	100%	1 616
<b>Furniture and Office Equipment</b>	672	3 390	3 390	-	-	236	236	100%	3 390
Furniture and Office Equipment	672	3 390	3 390			236	236	100%	3 390
<b>Machinery and Equipment</b>	-	2 316	2 316	-	-	689	689	100%	2 316
Machinery and Equipment	-	2 316	2 316			689	689	100%	2 316
<b>Transport Assets</b>	3 849	3 772	3 772	-	-	2 306	2 306	100%	3 772
Transport Assets	3 849	3 772	3 772			2 306	2 306	100%	3 772
<b>Total Depreciation</b>	53 277	55 163	55 163	-	-	21 883	21 883	100%	55 163

## Supporting Table: SC 13(e) Capital Expenditure on upgrading of Existing Assets

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on upgrading of existing assets by Asset Class</b>									
<b>Infrastructure</b>	10 828	16 150	15 950	2 615	12 098	11 811	(287)	-2%	15 950
<b>Roads Infrastructure</b>	10 828	16 150	15 950	2 615	12 098	11 811	(287)	-2%	15 950
Roads	10 828	16 150	15 950	2 615	12 098	11 811	(287)	-2%	15 950
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Attenuation							-		
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks							-		
<b>Solid Waste Infrastructure</b>	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
<b>Community Assets</b>	-	1 000	800	139	464	645	180	28%	800
Libraries							-		
Cemeteries/Crematoria							-		
Police							-		
Parks		1 000	800	139	464	645	180	0	800
<b>Other assets</b>	1 299	-	-	-	-	-	-		-
Operational Buildings	1 299	-	-	-	-	-	-		-
Workshops							-		
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on upgrading of existing assets</b>	12 127	17 150	16 750	2 754	12 563	12 456	(107)	-1%	16 750

Supporting table SC13a, SC13b and SC13e provide details of capital expenditure in terms of asset classification based on new assets and renewal of existing assets; while table SC13c provide details of expenditure performance on repairs and maintenance by asset classification and Table SC13d presents expenditure on depreciation and asset impairment. These tables present the capital programme, and assets management and performance of the Municipality.

The total expenditure for new capital projects amounts to R13, 807 million and the year to date budget is R14, 991 million that reflects under spending variance of R1, 184 million that translates to 8% variance.

The year to date actuals on renewal of existing assets amounts R40, 489 million and with the year to date budget of R47, 161 million and this reflects under spending variance of R6, 673 million that translates to 14.1% variance.

The year to date actual expenditure on repairs and maintenance is R14, 929 million, and the year to date budget is R14, 126 million, reflecting over spending variance of R803 thousand that translates to 5.7%.

The year to date actual expenditure on upgrading of existing assets is R12, 563 million, and the year to date budget is R12, 456 million, reflecting under spending variance of R107 thousand that translates to 1%.

The year to date actual expenditure on depreciation and asset impairment is R0 and the year to date budget is R21, 883 million, reflecting spending variance of R21, 883 million, that translates to 100% which means the integration between asset management system and core financial system is done bi-annually and this is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is partially complying with some of mSCOA requirements.

## List of Capital Programmes and Projects

Department	Project Description	Type	Asset Class	Asset Sub-Class	Medium Term Revenue and Expenditure Framework			
					Budget Year 2020/21			
					Original Budget	Adjusted Budget	YTD Actuals	Percentage
<b>Parent municipality:</b>								
Technical Services	Kgoshi Rammupudu Road	Renewal	Infrastructure	Roads Infrastructure	16 000	16 500	12 748	77%
Technical Services	Upgrading of Mogaung Road	Upgrade	Infrastructure	Roads Infrastructure	15 250	15 250	11 844	78%
Technical Services	Electrification of Mashemong	New	Infrastructure	Electrical Infrastructure	10 494	10 734	8 636	80%
Technical Services	Tambo Road Construction	Renewal	Infrastructure	Roads Infrastructure	9 581	10 058	8 752	87%
Technical Services	Groblersdal Landfill site	Renewal	Infrastructure	Roads Infrastructure	7 719	100	–	0%
Technical Services	Motetema Internal Streets	Renewal	Infrastructure	Roads Infrastructure	7 629	7 263	7 263	100%
Technical Services	Kgaphamadi Road	Renewal	Infrastructure	Roads Infrastructure	5 500	11 654	10 303	88%
Technical Services	Electrification of Masakaneng	New	Infrastructure	Electrical Infrastructure	5 100	–	–	0%
Technical Services	Kgaphamadi Bus Road	Renewal	Infrastructure	Roads Infrastructure	–	4 913	722	15%
Technical Services	Electrification of Ntswelemotse	New	Infrastructure	Electrical Infrastructure	2 430	2 190	1 735	79%
Technical Services	Electrification of Zumapark	New	Infrastructure	Electrical Infrastructure	1 976	2 076	1 317	63%
Technical Services	Development of workshop	New	Infrastructure	Operational building	1 739	1 350	1 350	100%
Community Services	Upgrading and Development of Parks	Renewal	Community assets	Operational building	1 000	800	464	58%
Technical Services	Nyakoroane Road	Upgrade	Infrastructure	Roads Infrastructure	900	700	255	36%
Corporate Services	Furniture and Office Equipment	New	Furniture and Office equipment	Electrical Infrastructure	800	371	341	92%
Community Services	Cemeteries	Renewal	Community assets	Cemeteries/Crematoria	600	600	–	0%
Community Services	Mobile Offices	New	Community assets	Operational building	600	770	–	0%
Technical Services	Laersdrift Road	Renewal	Infrastructure	Roads Infrastructure	511	999	701	70%
Corporate Services	Machinery and Equipment	New	Machinery and Equipment	Machinery and Equipment	500	400	186	46%
Finance	Machinery and Equipment Forklift	New	Machinery and Equipment	Machinery and Equipment	350	350	–	0%
Technical Services	Aircons Conditioner	New	Infrastructure	Equipment	350	446	–	0%
Corporate Services	Computer Equipment	New	Equipment	Equipment	250	679	242	36%
Technical Services	Cemeteries	Renewal	Community assets	Cemeteries/Crematoria	–	120	–	0%

# Quality certificate

I, **MESHACK MAHLAGAUME KGWALE**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of April 2021 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 (LIM472)

Signature

Date

*[Handwritten Signature]*  
*16/05/2021*

