

# **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**



## **MONTHLY BUDGET STATEMENT REPORT**

**AUGUST 2017**

## **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	2016/17	Budget Year 2017/18							
	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	23,780	26,472	–	6,818	8,702	4,412	4,290	97%	26,472
Service charges	78,960	89,822	–	8,761	16,213	10,832	5,381	50%	89,822
Investment revenue	3,479	3,701	–	427	427	650	(223)	-34%	3,701
Transfers and subsidies	213,105	226,163	–	347	94,749	93,475	1,274	1%	226,163
Other own revenue	22,294	45,865	–	4,967	6,721	7,916	(1,195)	-15%	45,865
<b>Total Revenue (excluding capital transfers)</b>	<b>341,618</b>	<b>392,023</b>	<b>–</b>	<b>21,321</b>	<b>126,811</b>	<b>117,284</b>	<b>9,527</b>	<b>8%</b>	<b>392,023</b>
Employee costs	112,496	123,460	–	9,580	19,122	19,223	(101)	-1%	123,460
Remuneration of Councillors	20,292	22,113	–	1,694	3,389	3,685	(297)	-8%	22,113
Depreciation & asset impairment	50,000	51,200	–	–	–	7,902	(7,902)	-100%	51,200
Finance charges	2,760	3,124	–	74	74	405	(331)	-82%	3,124
Materials and bulk purchases	73,404	82,662	–	1,713	9,439	12,603	(3,164)	-25%	82,662
Transfers and subsidies	2,248	3,724	–	742	2,469	621	1,848	298%	3,724
Other expenditure	107,161	100,105	–	10,742	24,439	17,971	6,468	36%	100,105
<b>Total Expenditure</b>	<b>368,361</b>	<b>386,388</b>	<b>–</b>	<b>24,544</b>	<b>58,932</b>	<b>62,410</b>	<b>(3,478)</b>	<b>-6%</b>	<b>386,388</b>
<b>Surplus/(Deficit)</b>	<b>(26,743)</b>	<b>5,635</b>	<b>–</b>	<b>(3,223)</b>	<b>67,880</b>	<b>54,874</b>	<b>13,005</b>	<b>24%</b>	<b>5,635</b>
Transfers and subsidies - capital	70,419	70,860	–	3,176	3,960	6,202	(2,242)	-36%	70,860
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>43,676</b>	<b>76,495</b>	<b>–</b>	<b>(47)</b>	<b>71,840</b>	<b>61,076</b>	<b>10,764</b>	<b>18%</b>	<b>76,495</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>43,676</b>	<b>76,495</b>	<b>–</b>	<b>(47)</b>	<b>71,840</b>	<b>61,076</b>	<b>10,764</b>	<b>18%</b>	<b>76,495</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>87,620</b>	<b>77,302</b>	<b>–</b>	<b>3,028</b>	<b>3,963</b>	<b>6,239</b>	<b>(2,276)</b>	<b>-36%</b>	<b>77,302</b>
Capital transfers recognised	73,654	62,158	–	2,544	3,232	5,440	(2,208)	-41%	62,158
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	13,966	15,144	–	484	731	799	(68)	-8%	15,144
<b>Total sources of capital funds</b>	<b>87,620</b>	<b>77,302</b>	<b>–</b>	<b>3,028</b>	<b>3,963</b>	<b>6,239</b>	<b>(2,276)</b>	<b>-36%</b>	<b>77,302</b>
<b>Financial position</b>									
Total current assets	87,686	107,614	–	–	137,585	–	–	–	107,614
Total non current assets	1,040,124	1,066,797	–	–	1,028,702	–	–	–	1,066,797
Total current liabilities	79,705	60,491	–	–	77,463	–	–	–	60,491
Total non current liabilities	85,185	98,733	–	–	92,012	–	–	–	98,733
<b>Community wealth/Equity</b>	<b>962,921</b>	<b>1,015,187</b>	<b>–</b>	<b>–</b>	<b>996,812</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,015,187</b>
<b>Cash flows</b>									
Net cash from (used) operating	89,505	93,102	–	(18,512)	58,589	79,780	21,191	27%	93,102
Net cash from (used) investing	(67,620)	(77,302)	–	(3,028)	(3,963)	(6,239)	(2,276)	36%	(77,302)
Net cash from (used) financing	(8,187)	(8,497)	–	(1,339)	(1,392)	(921)	471	(0)	(8,497)
<b>Cash/cash equivalents at the month/year end</b>	<b>25,664</b>	<b>32,968</b>	<b>–</b>	<b>–</b>	<b>74,147</b>	<b>98,284</b>	<b>24,137</b>	<b>25%</b>	<b>28,217</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	11,045	4,064	2,106	1,256	1,095	1,145	5,500	21,567	47,777
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 August 2017 is R126, 811 million and the year to date budget of R117, 284 million and this reflects a positive variance of R9, 527 Million

that reflects favorable performance of the operational revenue for the reporting period. The following are the secondary revenue item categories reflecting a negative and material variance:

- Interest earned - external investments: 34% unfavorable variance,
- License and permits : 7% unfavorable Variance
- Rental on Facilities and Equipment: 62% unfavorable
- Fines: 71% unfavorable variance
- Other revenue: 25% unfavorable variance

### **Operating Expenditure**

The year to date operational expenditure as at end of August 2017 amounts to R58, 932 million and the year to date budget is R62, 410 million. This reflects an unfavorable variance of R3, 478 million that translates to 6% under spending variance as compared to the projected expenditure. 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. The municipality is in a process of linking the Asset Management system with core financial system so that the depreciation calculated on the initial system can be interfaced to the financial system and this will assist in doing away with the practice of calculating depreciation only at year end.

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: 37% under performance variance
- Finance Charges : 82% under performance variance
- Transfer and Grants: 298% over performance variance
- Contracted services: 198% over performance variance
- Bulk purchase: 20% underspending variance

With regards to the over performance variance on contracted services, the municipality needs to reduce the level of reliance on consultants as outlined in the Treasury Instruction letter number 01.

### **Capital Expenditure**

The year to date actual capital expenditure as at end of August 2017 amounts to R3, 963 million and the year to date budget amounts to R6, 239 million and this gives rise to 36% under spending variance. This is attributed to roads and electrification projects that are not yet kick started. The under spending on projects that are funded by grants will lead the municipality to applying for roll over and as a result, this might have negative impact on future allocations.

**Surplus/Deficit**

Taking the above into consideration, the net operating deficit for the month is R47 thousand.

**Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of August 2017 amounts to R47, 777 million and this shows an increase of R14, 603 million as compared to R33, 174 million as at end of 2016/17 financial year.

Consumer debtors is made up of service charges and property rates that amount to R36, 458 million and other debtors amounting to R11, 320 million.

**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	2016/17	Budget Year 2017/18							
	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>247,098</b>	<b>170,084</b>	<b>–</b>	<b>11,029</b>	<b>94,429</b>	<b>68,443</b>	<b>25,986</b>	<b>38%</b>	<b>170,084</b>
Executive and council	–	35,581	–	–	21,084	18,859	2,226	12%	35,581
Finance and administration	247,098	128,101	–	11,029	66,942	46,916	20,026	43%	128,101
Internal audit	–	6,402	–	–	6,402	2,668	3,735	140%	6,402
<b>Community and public safety</b>	<b>45</b>	<b>12,846</b>	<b>–</b>	<b>4</b>	<b>11,054</b>	<b>6,145</b>	<b>4,908</b>	<b>80%</b>	<b>12,846</b>
Community and social services	44	6,377	–	4	5,950	2,882	3,068	106%	6,377
Sport and recreation	1	6,469	–	–	5,104	3,263	1,840	56%	6,469
Public safety	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>	<b>75,609</b>	<b>150,237</b>	<b>–</b>	<b>4,708</b>	<b>9,081</b>	<b>27,134</b>	<b>(18,053)</b>	<b>-67%</b>	<b>150,237</b>
Planning and development	1,811	13,512	–	305	2,590	6,271	(3,681)	-59%	13,512
Road transport	73,798	135,883	–	4,403	6,491	20,512	(14,021)	-68%	135,883
Environmental protection	–	842	–	–	–	351	(351)	-100%	842
<b>Trading services</b>	<b>89,285</b>	<b>129,716</b>	<b>–</b>	<b>8,756</b>	<b>16,207</b>	<b>21,764</b>	<b>(5,556)</b>	<b>-26%</b>	<b>129,716</b>
Energy sources	81,773	106,984	–	6,555	13,276	14,513	(1,237)	-9%	106,984
Water management	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	7,512	22,732	–	2,200	2,932	7,251	(4,319)	-60%	22,732
Other	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	<b>412,037</b>	<b>462,883</b>	<b>–</b>	<b>24,497</b>	<b>130,771</b>	<b>123,486</b>	<b>7,286</b>	<b>6%</b>	<b>462,883</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>163,829</b>	<b>147,263</b>	<b>–</b>	<b>15,629</b>	<b>34,585</b>	<b>29,991</b>	<b>4,593</b>	<b>15%</b>	<b>147,263</b>
Executive and council	35,121	35,981	–	3,656	6,433	5,956	477	8%	35,981
Finance and administration	123,110	104,880	–	11,727	27,750	22,880	4,870	21%	104,880
Internal audit	5,597	6,402	–	246	402	1,155	(753)	-65%	6,402
<b>Community and public safety</b>	<b>12,439</b>	<b>15,633</b>	<b>–</b>	<b>744</b>	<b>1,444</b>	<b>2,473</b>	<b>(1,028)</b>	<b>-42%</b>	<b>15,633</b>
Community and social services	4,605	6,541	–	364	686	1,004	(317)	-32%	6,541
Sport and recreation	7,835	9,092	–	380	758	1,469	(711)	-48%	9,092
Public safety	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>	<b>86,031</b>	<b>117,737</b>	<b>–</b>	<b>4,959</b>	<b>8,614</b>	<b>15,680</b>	<b>(7,066)</b>	<b>-45%</b>	<b>117,737</b>
Planning and development	14,239	20,850	–	1,246	2,193	2,886	(692)	-24%	20,850
Road transport	70,426	96,045	–	3,672	6,341	12,651	(6,310)	-50%	96,045
Environmental protection	1,365	842	–	41	80	143	(63)	-44%	842
<b>Trading services</b>	<b>106,063</b>	<b>105,754</b>	<b>–</b>	<b>3,212</b>	<b>14,288</b>	<b>14,265</b>	<b>23</b>	<b>0%</b>	<b>105,754</b>
Energy sources	82,703	86,949	–	1,104	10,373	11,364	(991)	-9%	86,949
Water management	–	–	–	–	–	–	–	–	–
Waste water management	–	–	–	–	–	–	–	–	–
Waste management	23,359	18,805	–	2,107	3,915	2,902	1,013	35%	18,805
Other	–	–	–	–	–	–	–	–	–
<b>Total Expenditure - Functional</b>	<b>368,361</b>	<b>386,388</b>	<b>–</b>	<b>24,544</b>	<b>58,932</b>	<b>62,410</b>	<b>(3,478)</b>	<b>-6%</b>	<b>386,388</b>
<b>Surplus/ (Deficit) for the year</b>	<b>43,676</b>	<b>76,495</b>	<b>–</b>	<b>(47)</b>	<b>71,840</b>	<b>61,076</b>	<b>10,764</b>	<b>18%</b>	<b>76,495</b>

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

Vote Description	2016/17	Budget Year 2017/18							
	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	–	31,540	–	–	21,084	17,176	3,909	0	31,540
Vote 2 - Municipal Manager	–	15,805	–	–	10,675	8,722	1,953	0	15,805
Vote 3 - Budget & Treasury	247,085	70,368	–	11,029	24,604	20,027	4,577	23%	70,368
Vote 4 - Corporate Services	–	33,797	–	0	19,490	15,032	4,458	30%	33,797
Vote 5 - Community Services	19,413	89,322	–	3,325	16,198	22,907	(6,709)	-29%	89,322
Vote 6 - Technical Services	143,728	200,885	–	9,838	25,556	30,415	(4,859)	-16%	200,885
Vote 7 - Developmental Planning	1,811	8,435	–	305	431	2,940	(2,509)	-85%	8,435
Vote 8 - Executive Support	–	12,731	–	–	12,731	6,267	6,465	103%	12,731
<b>Total Revenue by Vote</b>	<b>412,037</b>	<b>462,883</b>	<b>–</b>	<b>24,497</b>	<b>130,771</b>	<b>123,486</b>	<b>7,285</b>	<b>6%</b>	<b>462,883</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	30,476	31,940	–	3,409	5,840	5,308	532	10%	31,940
Vote 2 - Municipal Manager	22,673	15,826	–	2,064	3,051	2,938	113	4%	15,826
Vote 3 - Budget & Treasury	44,416	39,702	–	5,813	17,749	10,720	7,029	66%	39,702
Vote 4 - Corporate Services	35,988	39,326	–	2,386	4,895	6,131	(1,236)	-20%	39,326
Vote 5 - Community Services	52,636	71,741	–	4,574	8,337	8,611	(274)	-3%	71,741
Vote 6 - Technical Services	157,089	165,483	–	4,226	15,437	25,474	(10,037)	-39%	165,483
Vote 7 - Developmental Planning	8,231	9,604	–	785	1,261	1,150	111	10%	9,604
Vote 8 - Executive Support	16,852	12,767	–	1,287	1,764	2,077	(313)	-15%	12,767
<b>Total Expenditure by Vote</b>	<b>368,361</b>	<b>386,388</b>	<b>–</b>	<b>24,544</b>	<b>58,334</b>	<b>62,410</b>	<b>(4,076)</b>	<b>-7%</b>	<b>386,388</b>
<b>Surplus/ (Deficit) for the year</b>	<b>43,676</b>	<b>76,495</b>	<b>–</b>	<b>(47)</b>	<b>72,438</b>	<b>61,077</b>	<b>11,361</b>	<b>19%</b>	<b>76,495</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	2016/17	Budget Year 2017/18							
	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	23,780	26,472		6,818	8,702	4,412	4,290	97%	26,472
Service charges - electricity revenue	71,855	81,206		6,561	13,281	9,396	3,886	41%	81,206
Service charges - water revenue	-	-		-	-		-		-
Service charges - sanitation revenue	-	-		-	-		-		-
Service charges - refuse revenue	7,105	8,616		2,200	2,932	1,436	1,496	104%	8,616
Service charges - other	-	-		-	-		-		-
Rental of facilities and equipment	2,412	1,935		44	123	323	(199)	-62%	1,935
Interest earned - external investments	3,479	3,701		427	427	650	(223)	-34%	3,701
Interest earned - outstanding debtors	6,823	6,260		3,626	4,061	1,399	2,662	190%	6,260
Dividends received	-	-		-	-		-		-
Fines, penalties and forfeits	7,000	30,000		319	1,411	4,900	(3,489)	-71%	30,000
Licences and permits	4,860	5,171		802	802	862	(60)	-7%	5,171
Agency services	-	-		-	-		-		-
Transfers and subsidies	213,105	226,163		347	94,749	93,475	1,274	1%	226,163
Other revenue	1,199	2,499		176	323	432	(109)	-25%	2,499
Gains on disposal of PPE	-	-		-	-		-		-
<b>Total Revenue excluding capital transfers</b>	<b>341,618</b>	<b>392,023</b>	<b>-</b>	<b>21,321</b>	<b>126,811</b>	<b>117,284</b>	<b>9,527</b>	<b>8%</b>	<b>392,023</b>
<b>Expenditure By Type</b>									
Employee related costs	112,496	123,460		9,580	19,122	19,223	(101)	-1%	123,460
Remuneration of councillors	20,292	22,113		1,694	3,389	3,685	(297)	-8%	22,113
Debt impairment	10,688	26,372		-	-	2,671	(2,671)	-100%	26,372
Depreciation & asset impairment	50,000	51,200		-	-	7,902	(7,902)	-100%	51,200
Finance charges	2,760	3,124		74	74	405	(331)	-82%	3,124
Bulk purchases	62,906	69,165		71	7,110	8,927	(1,817)	-20%	69,165
Other materials	10,498	13,497		1,642	2,330	3,676	(1,346)	-37%	13,497
Contracted services	43,272	25,350		6,036	12,192	4,092	8,101	198%	25,350
Transfers and subsidies	2,248	3,724		742	2,469	621	1,848	298%	3,724
Other expenditure	53,202	48,384		4,706	12,247	11,208	1,039	9%	48,384
Loss on disposal of PPE	-	-		-	-		-		-
<b>Total Expenditure</b>	<b>368,361</b>	<b>386,388</b>	<b>-</b>	<b>24,544</b>	<b>58,932</b>	<b>62,410</b>	<b>(3,478)</b>	<b>-6%</b>	<b>386,388</b>
<b>Surplus/(Deficit)</b>	<b>(26,743)</b>	<b>5,635</b>	<b>-</b>	<b>(3,223)</b>	<b>67,880</b>	<b>54,874</b>	<b>13,005</b>	<b>24%</b>	<b>5,635</b>
Transfers and subsidies - capital	70,419	70,860		3,176	3,960	6,202	(2,242)	-36%	70,860
Transfers and subsidies - capital		-					-		-
Transfers and subsidies - capital (in-kind - all)		-					-		-
<b>Surplus/(Deficit) after capital transfers</b>	<b>43,676</b>	<b>76,495</b>	<b>-</b>	<b>(47)</b>	<b>71,840</b>	<b>61,076</b>			<b>76,495</b>
Taxation		-							-
<b>Surplus/(Deficit) after taxation</b>	<b>43,676</b>	<b>76,495</b>	<b>-</b>	<b>(47)</b>	<b>71,840</b>	<b>61,076</b>			<b>76,495</b>
Attributable to minorities		-							-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>43,676</b>	<b>76,495</b>	<b>-</b>	<b>(47)</b>	<b>71,840</b>	<b>61,076</b>			<b>76,495</b>
Share of surplus/ (deficit) of associate		-							-
<b>Surplus/ (Deficit) for the year</b>	<b>43,676</b>	<b>76,495</b>	<b>-</b>	<b>(47)</b>	<b>71,840</b>	<b>61,076</b>			<b>76,495</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 service charges refuse removal, fines, and interest earned – external investments, license and permits, and other revenue. In the case of expenditure the following line items reflect material variance; Finance charges, contracted services, other material, and other expenditure.

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

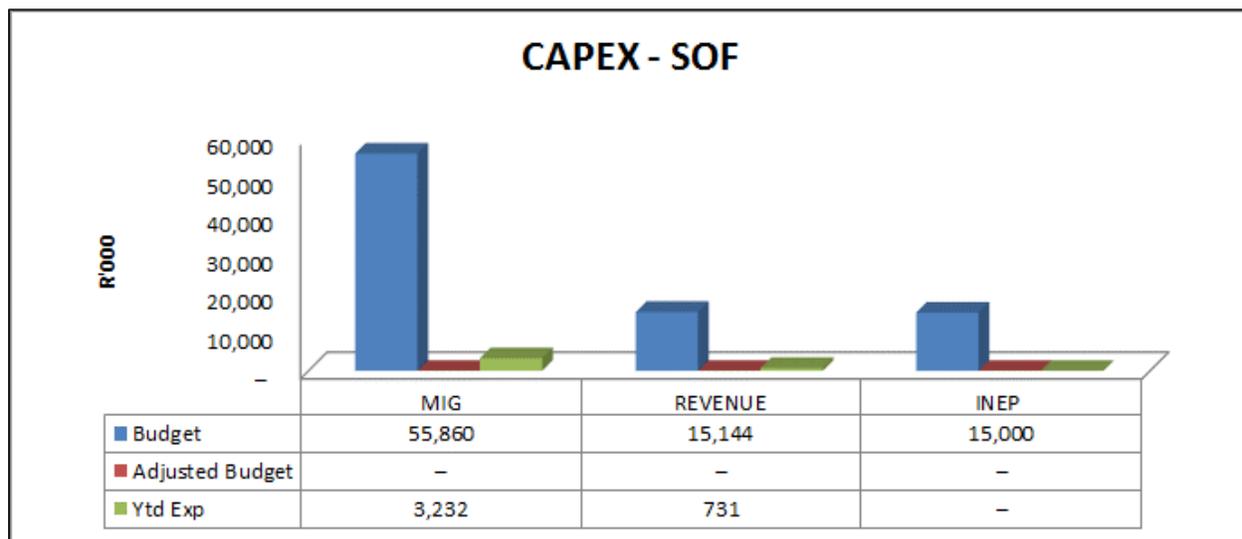
**Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding**

Vote Description	2016/17	Budget Year 2017/18							
	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>	2,550	500	-	-	160	24	136	556%	500
Executive and council	-	-					-		-
Finance and administration	2,550	500			160	24	136	556%	500
Internal audit	-	-					-		-
<b>Community and public safety</b>	1,280	700	-	-	-	50	(50)	-100%	700
Community and social services	1,100	-					-		-
Sport and recreation	-	700				50	(50)	-100%	700
Public safety	180	-					-		-
Housing	-	-					-		-
Health	-	-					-		-
<b>Economic and environmental services</b>	56,986	62,944	-	2,573	3,348	5,294	(1,946)	-37%	62,944
Planning and development	-	-					-		-
Road transport	56,986	62,944		2,573	3,348	5,294	(1,946)	-37%	62,944
Environmental protection		-					-		-
<b>Trading services</b>	6,804	13,158	-	455	455	870	(415)	-48%	13,158
Energy sources	6,404	13,158		455	455	870	(415)	-48%	13,158
Water management		-					-		-
Waste water management		-					-		-
Waste management	400	-					-		-
Other		-					-		-
<b>Total Capital Expenditure - Functional Classification</b>	67,620	77,302	-	3,028	3,963	6,239	(2,276)	-36%	77,302
<b>Funded by:</b>									
National Government	73,654	62,158		2,544	3,232	5,440	(2,208)	-41%	62,158
Provincial Government							-		
District Municipality							-		
Other transfers and grants							-		
<b>Transfers recognised - capital</b>	73,654	62,158	-	2,544	3,232	5,440	(2,208)	-41%	62,158
Public contributions & donations							-		
Borrowing							-		
Internally generated funds	13,966	15,144		484	731	799	(68)	-8%	15,144
<b>Total Capital Funding</b>	87,620	77,302	-	3,028	3,963	6,239	(2,276)	-36%	77,302

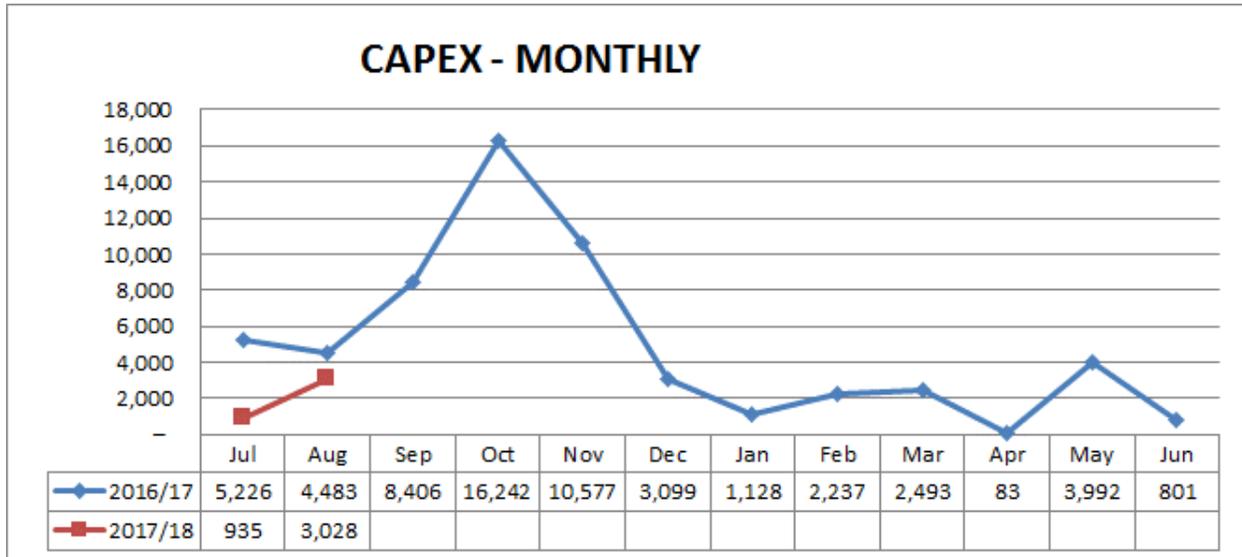
**Table C5C: Monthly Capital Expenditure by Vote**

Vote Description	2016/17	Budget Year 2017/18							
	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	-	500	-	-	160	24	136	556%	500
Vote 5 - Community Services	600	500	-	-	-	-	-	-	500
Vote 6 - Technical Services	58,257	52,539	-	2,544	3,232	4,690	(1,458)	-31%	52,539
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>58,857</b>	<b>53,539</b>	<b>-</b>	<b>2,544</b>	<b>3,392</b>	<b>4,714</b>	<b>(1,322)</b>	<b>-28%</b>	<b>53,539</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,950	-	-	-	-	-	-	-	-
Vote 5 - Community Services	1,080	700	-	-	-	50	(50)	-100%	700
Vote 6 - Technical Services	25,133	23,063	-	484	571	1,474	(903)	-61%	23,063
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	600	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>28,763</b>	<b>23,763</b>	<b>-</b>	<b>484</b>	<b>571</b>	<b>1,524</b>	<b>(953)</b>	<b>-63%</b>	<b>23,763</b>
<b>Total Capital Expenditure</b>	<b>87,620</b>	<b>77,302</b>	<b>-</b>	<b>3,028</b>	<b>3,963</b>	<b>6,239</b>	<b>(2,276)</b>	<b>-36%</b>	<b>77,302</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 August 2017, R3, 028 million spending was incurred and the year to date expenditure is R3, 963 million whilst the year to date budget is R6, 239 million and this gave rise to unfavorable spending variance of R2, 276 Million that translates to 36%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R86, 004 million, R55, 860 million is funded from Municipal Infrastructure grant, R15, 000 million from INEP and R 15, 144 million from own revenue and the spending per source of finance is presented in the above graph.



The above graph compares the 2016/17 and 2017/18 monthly capital expenditure performance. The graphs shows performance and/or spending improvement from the month of July to August.

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

Description	2016/17	Budget Year 2017/18			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	14,369	4,400		33,779	4,400
Call investment deposits	11,294	28,568		40,368	28,568
Consumer debtors	32,082	34,600		27,323	34,600
Other debtors	26,955	36,846		32,576	36,846
Current portion of long-term receivables		–		–	–
Inventory	2,986	3,200		3,538	3,200
<b>Total current assets</b>	<b>87,686</b>	<b>107,614</b>	<b>–</b>	<b>137,585</b>	<b>107,614</b>
<b>Non current assets</b>					
Long-term receivables		–		–	–
Investments		–		–	–
Investment property	93,468	96,146		96,703	96,146
Investments in Associate		–		–	–
Property, plant and equipment	934,417	957,866		919,776	957,866
Agricultural		–		–	–
Biological assets		–		–	–
Intangible assets	178	–		291	–
Other non-current assets	12,061	12,786		11,932	12,786
<b>Total non current assets</b>	<b>1,040,124</b>	<b>1,066,797</b>	<b>–</b>	<b>1,028,702</b>	<b>1,066,797</b>
<b>TOTAL ASSETS</b>	<b>1,127,810</b>	<b>1,174,411</b>	<b>–</b>	<b>1,166,286</b>	<b>1,174,411</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft		–		–	–
Borrowing	10,100	8,608		7,120	8,608
Consumer deposits	5,900	5,089		5,150	5,089
Trade and other payables	62,253	45,253		60,553	45,253
Provisions	1,452	1,542		4,640	1,542
<b>Total current liabilities</b>	<b>79,705</b>	<b>60,491</b>	<b>–</b>	<b>77,463</b>	<b>60,491</b>
<b>Non current liabilities</b>					
Borrowing	–	16,500		4,400	16,500
Provisions	85,185	82,233		87,612	82,233
<b>Total non current liabilities</b>	<b>85,185</b>	<b>98,733</b>	<b>–</b>	<b>92,012</b>	<b>98,733</b>
<b>TOTAL LIABILITIES</b>	<b>164,890</b>	<b>159,224</b>	<b>–</b>	<b>169,475</b>	<b>159,224</b>
<b>NET ASSETS</b>	<b>962,921</b>	<b>1,015,187</b>	<b>–</b>	<b>996,812</b>	<b>1,015,187</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	962,921	1,015,187		996,812	1,015,187
Reserves		–		–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>962,921</b>	<b>1,015,187</b>	<b>–</b>	<b>996,812</b>	<b>1,015,187</b>

The above table shows that community wealth amounts to R996, 812 billion, total liabilities R169, 475 million and the total assets R1, 166 billion. Non-current liabilities is mainly made up of provisions for long service award, landfill site and bonus, and borrowing that is exclusively finance lease for yellow fleet.

Included in the trade and other payables is unspent conditional grants amounting to R20, 670 million relating to MIG, INEP, FMG and EPWP.

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

Description	2016/17	Budget Year 2017/18							
	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	17,579	21,177		755	2,366	3,530	(1,164)	-33%	21,177
Service charges	70,069	83,078		3,935	10,281	9,461	820	9%	83,078
Other revenue	13,403	13,516		1,635	3,057	2,248	808	36%	13,516
Government - operating	213,105	226,163		361	94,987	94,948	39	0%	226,163
Government - capital	85,419	70,860		-	28,330	23,444	4,886	21%	70,860
Interest	4,136	5,579		161	429	811	(381)	-47%	5,579
Dividends	-	-					-		-
<b>Payments</b>									
Suppliers and employees	(309,616)	(320,424)		(24,544)	(78,318)	(53,632)	24,687	-46%	(320,424)
Finance charges	(2,341)	(3,124)		(74)	(74)	(410)	(336)	82%	(3,124)
Transfers and Grants	(2,248)	(3,724)		(742)	(2,469)	(621)	1,848	-298%	(3,724)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>89,505</b>	<b>93,102</b>	<b>-</b>	<b>(18,512)</b>	<b>58,589</b>	<b>79,780</b>	<b>21,191</b>	<b>27%</b>	<b>93,102</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE		-					-		-
Decrease (Increase) in non-current debtors		-					-		-
Decrease (increase) other non-current receivables		-					-		-
Decrease (increase) in non-current investments		-					-		-
<b>Payments</b>									
Capital assets	(67,620)	(77,302)		(3,028)	(3,963)	(6,239)	(2,276)	36%	(77,302)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(67,620)</b>	<b>(77,302)</b>	<b>-</b>	<b>(3,028)</b>	<b>(3,963)</b>	<b>(6,239)</b>	<b>(2,276)</b>	<b>36%</b>	<b>(77,302)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans		-					-		-
Borrowing long term/refinancing		-					-		-
Increase (decrease) in consumer deposits	(17)	111		58	5	60	(55)	-92%	111
<b>Payments</b>									
Repayment of borrowing	(8,170)	(8,608)		(1,397)	(1,397)	(981)	416	-42%	(8,608)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(8,187)</b>	<b>(8,497)</b>	<b>-</b>	<b>(1,339)</b>	<b>(1,392)</b>	<b>(921)</b>	<b>471</b>	<b>-51%</b>	<b>(8,497)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>13,698</b>	<b>7,304</b>	<b>-</b>	<b>(22,879)</b>	<b>53,234</b>	<b>72,620</b>			<b>7,304</b>
Cash/cash equivalents at beginning:	11,965	25,664			20,913	25,664			20,913
Cash/cash equivalents at month/year end:	25,664	32,968			74,147	98,284			28,217

Table C7 presents details pertaining to cash flow performance. As at end of August 2017, the net cash inflow from operating activities is R58, 589 million whilst net cash outflow from investing activities is R3, 963 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R1, 392 million. The cash and cash equivalent held at end of August 2017 amounted to R74, 147 million and the net effect of the above cash flows is cash outflow movement of R53, 234 million. The cash and cash equivalent at end of the reporting period of R 74, 147 million is made up of cash amounting to R33, 779 million and short term investments of R40, 362 million as presented in Table A6 under current assets.

**PART 2: SUPPORTING TABLES**

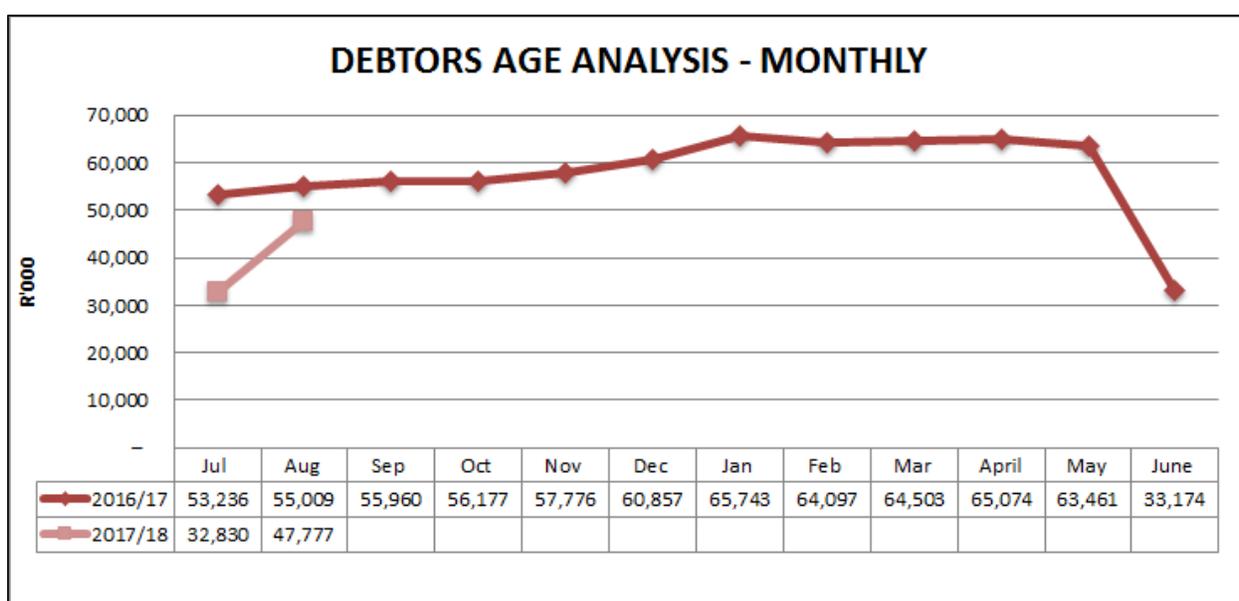
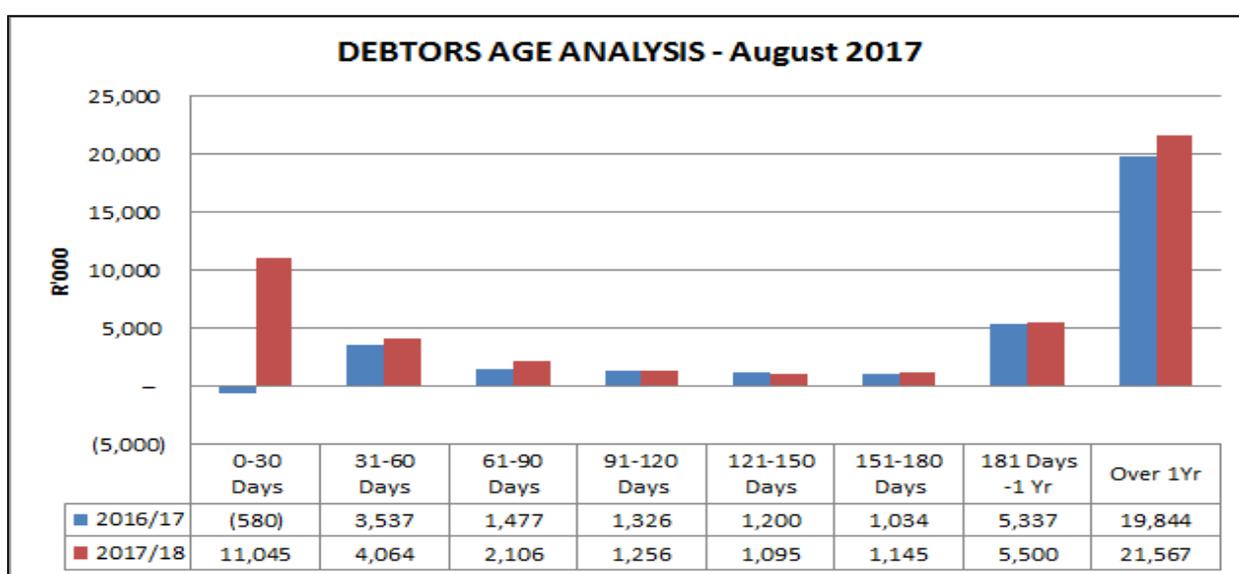
**Supporting Table: SC 3 - Debtors Age Analysis**

Description	Budget Year 2017/18										
	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	Actual Bad Debts Written Off against Debtors
<b>Debtors Age Analysis By Income Source</b>											
Trade and Other Receivables from Exchange Transactions - Water									-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	5,140	2,157	991	294	176	211	1,166	1,926	12,061	3,774	
Receivables from Non-exchange Transactions - Property Rates	3,009	991	665	513	484	471	2,434	12,269	20,836	16,172	
Receivables from Exchange Transactions - Waste Water Management									-	-	
Receivables from Exchange Transactions - Waste Management	1,052	340	241	71	64	61	373	1,358	3,561	1,927	
Receivables from Exchange Transactions - Property Rental Debtors	26	63	4	18	22	20	182	814	1,148	1,055	
Interest on Arrear Debtor Accounts	996	438	382	394	379	364	1,919	7,062	11,934	10,118	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-	
Other	823	76	(177)	(35)	(31)	18	(575)	(1,861)	(1,762)	(2,483)	
<b>Total By Income Source</b>	<b>11,045</b>	<b>4,064</b>	<b>2,106</b>	<b>1,256</b>	<b>1,095</b>	<b>1,145</b>	<b>5,500</b>	<b>21,567</b>	<b>47,777</b>	<b>30,562</b>	<b>-</b>
<b>2016/17 - totals only</b>	<b>(580)</b>	<b>3,537</b>	<b>1,477</b>	<b>1,326</b>	<b>1,200</b>	<b>1,034</b>	<b>5,337</b>	<b>19,844</b>	<b>33,174</b>	<b>28,740</b>	
<b>Debtors Age Analysis By Customer Group</b>											
Organs of State	1,253	762	444	28	48	48	594	1,457	4,633	2,175	
Commercial	3,884	1,225	584	430	347	302	764	3,233	10,769	5,076	
Households	4,689	1,341	611	336	241	239	1,219	6,315	14,992	14,961	
Other	1,219	736	467	462	458	556	2,923	10,562	17,383	14,961	
<b>Total By Customer Group</b>	<b>7,575</b>	<b>3,459</b>	<b>1,962</b>	<b>1,381</b>	<b>1,311</b>	<b>1,462</b>	<b>7,204</b>	<b>25,814</b>	<b>47,777</b>	<b>37,172</b>	<b>-</b>

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of August amount to R47, 777 million. The debtors' book is made up as follows:

- Rates 43,61%
- Electricity 25,24%
- Rental 2,40%
- Refuse removal 7,45%
- Interest on Debtors 24,98%
- Other -3,69%

The debtors' age analysis is graphically presented below.



The initial graph compares debtors' age analysis for 2016/17 financial year and 2017/18 (as at end of August 2017) whilst the latter shows monthly movement of debtors for both the current financial year and the 2016/17 financial year

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

#### TOP TWENTY DEBTORS

ACCOUNT_NO	ACCOUNT HOLDER NAME	ACCOUNT STATUS	ACCOUNT TYPE	OUTSTANDING BALANCE CAPITAL	OUTSTANDING BALANCE INTEREST	OUTSTANDING TOTAL BALANCE	HAND OVER
'0009900067	WATER PURIFICATION PLANT (SDM)'	ACTIVE	OCCUPIER	1,257,250.14	16,223.08	1,273,473.22	Y
'0009012345	BREED J & OOSTHUIZEN J F'	ACTIVE	OCCUPIER	811,674.33	74,519.91	886,194.24	N
'0000200106	ANABEL AND T INVESTMENTS (WALTL00 MEAT & CHICKEN)'	ACTIVE	OCCUPIER	461,244.04	11,557.19	472,801.23	N
'0000214913	MEAT SPOT'	ACTIVE	OCCUPIER	427,050.54	34,227.13	461,277.67	N
'0009000000	REPUBLIEK VAN SUID-AFRIKA'	ACTIVE	OWNER	185,443.82	162,972.15	348,415.97	Y
'0009001077	ROYAL SQUARE INV 361 CC'	ACTIVE	OWNER	162,119.35	146,100.19	308,219.54	Y
'0000211693	BOXER SUPERSTORE'ATT KERSHNEE'	ACTIVE	OCCUPIER	272,515.04	1,541.90	274,056.94	N
'0000506535	BUMAZI PROPERTIES C/O BFW METERING'	ACTIVE	OCCUPIER	263,698.24	4,219.66	267,917.90	N
'0009000804	NATIONAL GOVERNMENT REPUBLIC OF SOUTH AFRICA'	ACTIVE	OWNER	138,242.32	124,608.66	262,850.98	Y
'0000201885	SHOPRITE CHECKERS (PTY) LTD'	ACTIVE	OCCUPIER	238,999.68	-	238,999.68	N
'0001501364	JAN JOUBERT TR (JO JO TANKS)'	ACTIVE	OWNER	222,972.67	107.77	223,080.44	N
'0000002913	SHOPRITE/CHECKERS'	ACTIVE	OCCUPIER	209,807.74	2,379.97	212,187.71	N
'0001200305	BUNGELA LAMOLA BOTTLE STORE'	ACTIVE	OCCUPIER	188,080.07	3,627.90	191,707.97	N
'0005001708	UNITRADE 518 (PTY) LTD'	ACTIVE	OWNER	98,462.90	63,485.23	161,948.13	Y
'0009002958	PROVINCIAL GOVERNMENT OF LIMPO'	ACTIVE	OWNER	117,562.22	41,276.38	158,838.60	N
'0000000136	LIZINEX (PTY) LTD'	ACTIVE	OWNER	150,412.17	-	150,412.17	N
'0009000802	'	ACTIVE	OWNER	61,388.28	84,553.16	145,941.44	Y
'0009001763	TSHEHLA TRUST MAMAILE GEORGE'	ACTIVE	OWNER	96,733.36	38,581.73	135,315.09	N
'0002000270	PROVINSIALE HOSPITAAL'	ACTIVE	OCCUPIER	132,737.35	-	132,737.35	N
'0009002065	GOVERNMENT OF KWANDEBELE'	ACTIVE	OWNER	95,812.80	36,089.21	131,902.01	N
TOTAL				5,592,207.06	846,071.22	6,438,278.28	

#### Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2016/17									Prior year totals for
	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. 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
40029	GIFTRON DISTRIBUTION	518,700.00
37678	SHATADI DEVELOPERS	401,166.00
80568	KGAKILWE TRADING AND PROJECTS	314,400.00
1004	LERMAT CONSTRUCTION & PROJECTS	242,973.90
80366	ASHCOR TRAVELS ( PTY) LTD	106,800.00
32409	MAKGONATSOHLE TRADING ENTERPRI	105,228.84
517	METER SECURITY AND CLEANING	91,000.00
80575	THABANG KHOLOFELO	29,985.00
80581	HANDRICH AND J PROJECTS	29,980.00
80572	LIEPHEM TRADING ENTERPRISE	28,800.00
80513	NAJALI TRADING ENTERPRISE	28,732.20
80573	IETS OF MACH	28,700.00
35516	MAHLOME TRADING ENTERPRISE	28,032.00
41061	KGADI YA MALAPA TRADING	23,650.00
41027	KDM TRAVEL EXPRESS	21,388.76
621	ARCH ACTURIAL CONSULTING	19,380.00
80064	EMVUZO PROPERTY (PTY) LTD	19,000.00
32104	HUNADI WA MPHELE TRADING & PRO	18,000.00
41095	REAKGONA TRAVEL SERVICES	17,806.00
80510	WORLD WIDE INDUSTRIES(PTY)LTD	17,250.00
		<b>2,090,972.70</b>

The above table presents the top twenty creditors paid during the month of August 2017 and an amount of R2, 090 million was paid to these creditors during the reporting period.

## Supporting Table: SC 5 - Investment Portfolio

Investments by ID	Period	Type of Investment	Expiry date	Accrued interest	Percentage Interest	MV - Opening	Change in MV	MV - Closing
Municipality								
VBS	4-Apr-17		2-Jul-17	130	7.65%	20,050	-	20,181
VBS	20-Jul-17		20-Aug-17	-	7.85%	20,050	(20,134)	(83)
VBS	20-Jul-17		20-Sep-17	135	7.95%	20,052	-	20,187
<b>TOTAL INVESTMENTS AND INTEREST</b>				<b>265</b>		<b>60,152</b>	<b>(20,134)</b>	<b>40,285</b>

Supporting table SC5 presents all investments that indicate that the total amount of R40, 285 million had been invested as at end of August 2017. The opening balance was R60, 152 million, and an amount of R20, 134 million was withdrawn in the reporting period. Accrued interest for the month amounted to R265 thousand.

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

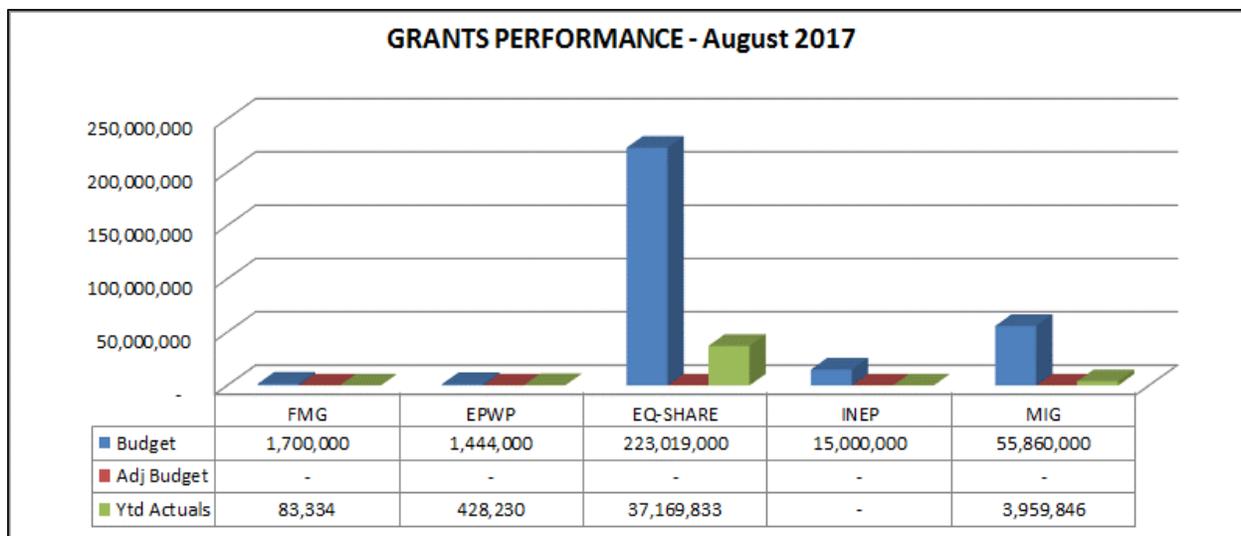
Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>213,105</b>	<b>226,163</b>	<b>-</b>	<b>361</b>	<b>94,987</b>	<b>94,987</b>	<b>-</b>		<b>226,163</b>
Local Government Equitable Share	210,385	223,019	-	-	92,926	92,926	-		223,019
Finance Management	1,625	1,700	-	-	1,700	1,700			1,700
EPWP Incentive	1,095	1,444	-	361	361	361			1,444
<b>Provincial Government:</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>
N/A	-	-	-	-	-	-	-		-
<b>Other grant providers:</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>213,105</b>	<b>226,163</b>	<b>-</b>	<b>361</b>	<b>94,987</b>	<b>94,987</b>	<b>-</b>		<b>226,163</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>85,419</b>	<b>70,860</b>	<b>-</b>	<b>-</b>	<b>28,330</b>	<b>28,330</b>	<b>-</b>		<b>70,860</b>
Municipal Infrastructure Grant (MIG)	72,419	55,860	-	-	23,330	23,330	-		55,860
Intergrated National Electrification Grant	13,000	15,000	-	-	5,000	5,000	-		15,000
<b>Provincial Government:</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>
N/A	-	-	-	-	-	-	-		-
<b>Other grant providers:</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>85,419</b>	<b>70,860</b>	<b>-</b>	<b>-</b>	<b>28,330</b>	<b>28,330</b>	<b>-</b>		<b>70,860</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>298,524</b>	<b>297,023</b>	<b>-</b>	<b>361</b>	<b>123,317</b>	<b>123,317</b>	<b>-</b>		<b>297,023</b>

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R123, 317 million of which the major portion is attributed to equitable share. An amount of R 361 thousand has been received in August and as a result, all the grants allocated for the current financial year, so far have been received in line with the payment schedule.

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

Description	2016/17	Budget Year 2017/18							
	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>	<b>213,105</b>	<b>226,163</b>	<b>-</b>	<b>18,930</b>	<b>37,681</b>	<b>37,589</b>	<b>93</b>	<b>0%</b>	<b>226,163</b>
Local Government Equitable Share	210,385	223,019		18,585	37,170	37,170	-		223,019
Finance Management	1,625	1,700		42	83	178	(95)	-53%	1,700
EPWP Incentive	1,095	1,444		304	428	241	188	78%	1,444
<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 expenditure of Transfers and Grants:</b>	<b>213,105</b>	<b>226,163</b>	<b>-</b>	<b>18,930</b>	<b>37,681</b>	<b>37,589</b>	<b>93</b>	<b>0%</b>	<b>226,163</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>68,895</b>	<b>70,860</b>	<b>-</b>	<b>3,176</b>	<b>3,960</b>	<b>5,440</b>	<b>(1,480)</b>	<b>-27%</b>	<b>70,860</b>
Municipal Infrastructure Grant (MIG)	56,084	55,860		3,176	3,960	4,570	(610)	-13%	55,860
Intergrated National Electrification Grant	12,811	15,000		-	-	870	(870)	-100%	15,000
<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 capital expenditure of Transfers and Grants</b>	<b>68,895</b>	<b>70,860</b>	<b>-</b>	<b>3,176</b>	<b>3,960</b>	<b>5,440</b>	<b>(1,480)</b>	<b>-27%</b>	<b>70,860</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>282,000</b>	<b>297,023</b>	<b>-</b>	<b>22,106</b>	<b>41,641</b>	<b>43,029</b>	<b>(1,388)</b>	<b>-3%</b>	<b>297,023</b>

An amount of R22, 106 million has been spent on grants during the month of August 2017 and the year to date actuals is R41, 641 million whilst the year to date budget amounts to R 43, 029 million and this results in underspending variance of R1, 388 that translates to 3%. Of the total spending amounting to R22, 106 million, R18, 930 million is spent on operational grants whilst R3, 176 million is spent of capital grants.



The above graph depicts the gazetted and adjusted budgeted amounts for all the grants and the expenditure thereof as at end of August 2017. The grants expenditure is shown below in percentages:

- Financial Management Grant 4,90%
- Expanded Public Work Programme 29,66%
- Equitable Share 16,67%
- Municipal Infrastructure Grant 7,09%
- Integrated National Electrification Grant 0.00%

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

Summary of Employee and Councilor remuneration	2016/17	Budget Year 2017/18							
	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	13,435	14,748		1,005	2,008	2,458	(450)	-18%	14,748
Pension and UIF Contributions	1,555	1,670		144	289	278	11	4%	1,670
Medical Aid Contributions	266	285		21	42	48	(6)	-12%	285
Motor Vehicle Allowance	4,458	4,788		390	780	798	(18)	-2%	4,788
Cellphone Allowance	570	612		135	270	102	168	165%	612
Housing Allowances									
Other benefits and allowances	8	9				2	(2)	-100%	9
<b>Sub Total - Councillors</b>	<b>20,292</b>	<b>22,113</b>	<b>-</b>	<b>1,694</b>	<b>3,389</b>	<b>3,685</b>	<b>(297)</b>	<b>-8%</b>	<b>22,113</b>
<b>% increase</b>		<b>9%</b>							<b>9%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	7,311	4,745		346	782	791	(9)	-1%	4,745
Pension and UIF Contributions	564	1,021		25	51	170	(119)	-70%	1,021
Medical Aid Contributions	139	228		7	17	38	(21)	-55%	228
Overtime									
Performance Bonus									
Motor Vehicle Allowance	1,018	840		62	137	160	(23)	-15%	840
Cellphone Allowance		14		4	6	2	4	167%	14
Housing Allowances									
Other benefits and allowances	267	75		0	86	4	82	1909%	75
Payments in lieu of leave					82	85	(3)	-3%	
Long service awards									
Post-retirement benefit obligations									
<b>Sub Total - Senior Managers of Municipality</b>	<b>9,300</b>	<b>6,923</b>	<b>-</b>	<b>445</b>	<b>1,162</b>	<b>1,251</b>	<b>(89)</b>	<b>-7%</b>	<b>6,923</b>
<b>% increase</b>		<b>-26%</b>							<b>-26%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	67,431	78,939		6,113	12,212	13,157	(945)	-7%	78,939
Pension and UIF Contributions	14,021	14,523		1,249	2,499	2,421	79	3%	14,523
Medical Aid Contributions	3,944	4,340		356	710	723	(14)	-2%	4,340
Overtime	2,076	1,595		165	414	156	257	165%	1,595
Performance Bonus									
Motor Vehicle Allowance	7,501	8,062		730	1,459	1,344	115	9%	8,062
Cellphone Allowance	127	636		35	72	106	(34)	-32%	636
Housing Allowances	175	145		14	26	24	2	9%	145
Other benefits and allowances	6,846	7,333		95	141	101	40	39%	7,333
Payments in lieu of leave	952	802		197	216	36	181	507%	802
Long service awards	123	162		183	212	30	182	607%	162
Post-retirement benefit obligations									
<b>Sub Total - Other Municipal Staff</b>	<b>103,196</b>	<b>116,537</b>	<b>-</b>	<b>9,135</b>	<b>17,960</b>	<b>18,097</b>	<b>(137)</b>	<b>-1%</b>	<b>116,537</b>
<b>% increase</b>		<b>13%</b>							<b>13%</b>
<b>Total Parent Municipality</b>	<b>132,788</b>	<b>145,573</b>	<b>-</b>	<b>11,274</b>	<b>22,511</b>	<b>23,033</b>	<b>(523)</b>	<b>-2%</b>	<b>145,573</b>
		<b>10%</b>							<b>10%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>132,788</b>	<b>145,573</b>	<b>-</b>	<b>11,274</b>	<b>22,511</b>	<b>23,033</b>	<b>(523)</b>	<b>-2%</b>	<b>145,573</b>
<b>% increase</b>		<b>10%</b>							<b>10%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>112,496</b>	<b>123,460</b>	<b>-</b>	<b>9,580</b>	<b>19,122</b>	<b>19,348</b>	<b>(226)</b>	<b>-1%</b>	<b>123,460</b>

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid for August 2017 amounts to R11, 274 million and the year to date actual expenditure is R22, 511 million and the expenditure for remuneration of councilors for the month amounts to R1, 694 million while the year to date actual expenditure is R3, 389 million and the year to date budget is R3, 685 million giving rise to underspending variance of R297 thousand that translates to 8%.

Description	Budget Year 2017/18												2017/18 Medium Term Revenue		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget	Budget	Budget
	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Year	Year +1	Year +2
<b>Cash Receipts By Source</b>															
Property rates	1,611	755	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	2,928	21,177	22,384	23,638
Service charges - electricity revenue	5,992	3,719	4,385	5,914	5,816	6,301	6,884	7,513	8,144	8,271	8,284	7,547	78,770	81,133	83,729
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse	354	216	226	350	410	410	410	410	410	410	410	292	4,308	4,553	4,808
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	28	15	153	153	153	153	153	153	153	153	153	513	1,935	2,046	2,160
Interest earned - external investments	154	135	280	270	398	184	178	240	440	300	308	814	3,701	3,912	4,132
Interest earned - outstanding debtors	114	26	208	134	131	159	143	144	106	128	156	429	1,878	1,985	2,096
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	25	2	390	315	330	435	345	353	405	390	413	1,098	4,500	4,757	5,023
Licences and permits	-	805	431	431	431	431	431	431	431	431	431	417	5,100	5,391	5,693
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operating	94,626	361	-	-	649	74,339	-	434	55,756	-	-	(2)	226,163	238,214	247,841
Other revenue	1,369	812	165	165	165	165	165	165	165	165	165	(1,686)	1,981	2,094	2,211
<b>Cash Receipts by Source</b>	<b>104,272</b>	<b>6,847</b>	<b>8,003</b>	<b>9,497</b>	<b>10,247</b>	<b>84,343</b>	<b>10,474</b>	<b>11,607</b>	<b>67,775</b>	<b>12,013</b>	<b>12,085</b>	<b>12,351</b>	<b>349,514</b>	<b>366,469</b>	<b>381,331</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	28,330	-	-	6,000	30,599	-	4,615	-	6,201	-	-	(4,886)	70,860	69,013	86,340
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits	58	5	6	2	12	6	4	20	10	14	12	(37)	111	142	168
Receipt of non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>132,660</b>	<b>6,852</b>	<b>8,009</b>	<b>15,499</b>	<b>40,859</b>	<b>84,349</b>	<b>15,093</b>	<b>11,627</b>	<b>73,986</b>	<b>12,027</b>	<b>12,097</b>	<b>7,428</b>	<b>420,485</b>	<b>435,624</b>	<b>467,839</b>
<b>Cash Payments by Type</b>															
Employee related costs	9,543	9,580	9,796	9,725	9,719	16,328	10,029	9,808	9,775	9,705	9,717	9,736	123,460	130,069	137,325
Remuneration of councillors	1,694	1,694	1,843	1,843	1,843	1,843	1,843	1,843	1,843	1,843	1,843	1,820	21,794	23,036	24,326
Interest paid	-	74	198	196	194	190	188	186	400	398	395	706	3,124	790	645
Bulk purchases - Electricity	7,038	71	4,613	5,200	5,300	5,513	5,700	5,950	6,012	7,250	7,300	9,217	69,165	69,937	73,853
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	688	1,642	475	522	3,105	215	1,225	545	1,122	807	1,330	1,821	13,497	14,795	15,623
Contracted services	6,156	6,036	2,733	1,733	3,316	1,783	1,693	1,838	2,328	2,003	1,858	(6,130)	25,350	23,279	23,118
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	1,727	742	310	310	310	310	310	310	310	310	310	(1,538)	3,724	3,936	4,156
General expenses	24,438	4,706	4,420	2,850	3,545	4,120	3,352	3,077	6,480	3,261	2,762	(14,308)	48,703	46,114	47,108
<b>Cash Payments by Type</b>	<b>51,284</b>	<b>24,544</b>	<b>24,389</b>	<b>22,379</b>	<b>27,333</b>	<b>30,303</b>	<b>24,340</b>	<b>23,557</b>	<b>28,270</b>	<b>25,577</b>	<b>25,515</b>	<b>1,325</b>	<b>308,817</b>	<b>311,956</b>	<b>326,154</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	935	3,028	7,000	8,227	9,672	10,917	6,450	8,552	6,630	4,221	4,180	7,490	77,302	84,306	91,111
Repayment of borrowing	490	906	706	706	706	706	706	706	706	750	750	769	8,608	6,000	6,000
Other Cash Flows/Payments	-	5,090	1,580	1,400	1,600	4,000	1,500	1,000	1,150	1,400	1,000	(1,265)	18,455	18,576	26,322
<b>Total Cash Payments by Type</b>	<b>52,710</b>	<b>33,569</b>	<b>33,675</b>	<b>32,712</b>	<b>39,311</b>	<b>45,925</b>	<b>32,996</b>	<b>33,815</b>	<b>36,756</b>	<b>31,948</b>	<b>31,445</b>	<b>8,319</b>	<b>413,181</b>	<b>420,837</b>	<b>449,586</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>79,950</b>	<b>(26,717)</b>	<b>(25,666)</b>	<b>(17,213)</b>	<b>1,548</b>	<b>38,423</b>	<b>(17,903)</b>	<b>(22,188)</b>	<b>37,230</b>	<b>(19,921)</b>	<b>(19,348)</b>	<b>(891)</b>	<b>7,304</b>	<b>14,787</b>	<b>18,253</b>
Cash/cash equivalents at the month/year beginning:	20,913	100,863	74,147	48,481	31,267	32,815	71,238	53,335	31,148	68,377	48,456	29,108	20,913	28,217	43,004
Cash/cash equivalents at the month/year end:	100,863	74,147	48,481	31,267	32,815	71,238	53,335	31,148	68,377	48,456	29,108	28,217	28,217	43,004	61,256

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 R6, 852 million and the total cash payment for the month were R33, 569 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC 12 Capital Expenditure Trend

Month	2016/17	Budget Year 2017/18							
	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	5,226	1,624		935	935	1,624	689	42%	1%
August	4,483	4,590		3,028	3,963	6,214	2,251	36%	5%
September	8,406	7,000				13,214	-		
October	16,242	8,227				21,442	-		
November	10,577	9,672				31,114	-		
December	3,099	10,917				42,030	-		
January	1,128	6,450				48,480	-		
February	2,237	8,552				57,032	-		
March	2,493	6,630				63,662	-		
April	83	4,221				67,883	-		
May	3,992	4,180				72,063	-		
June	801	5,239				77,302	-		
<b>Total Capital expenditure</b>	<b>58,767</b>	<b>77,302</b>	<b>-</b>	<b>3,963</b>					

Supporting table SC12 provides information on the monthly trends for capex. In terms of this table the capital expenditure for the month of August amounts to R3, 028 million. The year to date capital budget is R 6, 214 million that give rise to under spending variance of R2, 251 million or 36%.

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

Description	2016/17	Budget Year 2017/18							
	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/Sub-class</b>									
<b>Infrastructure</b>	35,057	32,281	-	-	-	3,254	3,254	100%	32,281
<b>Roads Infrastructure</b>	23,653	19,123	-	-	-	2,384	2,384	100%	19,123
Roads	23,653	19,123				2,384	2,384	100%	19,123
Road Structures		-					-		-
Road Furniture		-					-		-
Capital Spares		-					-		-
<b>Storm water Infrastructure</b>	-	-	-	-	-	-	-		-
Drainage Collection		-					-		
Storm water Conveyance		-					-		
Attenuation		-					-		
<b>Electrical Infrastructure</b>	11,404	13,158	-	-	-	870	870	100%	13,158
Power Plants		-					-		-
HV Substations		-					-		-
HV Switching Station		-					-		-
HV Transmission Conductors	11,404	13,158				870	870	100%	13,158
MV Substations		-					-		-
MV Switching Stations		-					-		-
<b>Community Assets</b>	600	300	-	-	-	-	-		300
<b>Community Facilities</b>	600	300	-	-	-	-	-		300
Halls		-					-		-
Purls		-					-		-
Public Open Space	600	300				-	-		300
Nature Reserves		-					-		-
<b>Investment properties</b>	-	-	-	-	-	-	-		-
Revenue Generating	-	-	-	-	-	-	-		-
Improved Property		-					-		-
Unimproved Property		-					-		-
<b>Other assets</b>	300	-	-	-	-	-	-		-
<b>Operational Buildings</b>	300	-	-	-	-	-	-		-
Municipal Offices	300	-					-		
Pay/Enquiry Points		-					-		
Building Plan Offices		-					-		
Workshops		-					-		
<b>Computer Equipment</b>	1,550	300	-	-	-	384	384	100%	300
Computer Equipment	1,550	300				384	384	100%	300
<b>Furniture and Office Equipment</b>	400	200	-	-	160	200	40	20%	200
Furniture and Office Equipment	400	200			160	200	40	20%	200
<b>Machinery and Equipment</b>	1,680	600	-	29	116	300	184	61%	600
Machinery and Equipment	1,680	600		29	116	300	184	61%	600
<b>Transport Assets</b>	2,253	700	-	-	-	-	-		700
Transport Assets	2,253	700				-	-		700
<b>Libraries</b>	-	-	-	-	-	-	-		-
Libraries		-				-	-		-
<b>Total Capital Expenditure on new assets</b>	<b>41,840</b>	<b>34,381</b>	<b>-</b>	<b>29</b>	<b>276</b>	<b>4,139</b>	<b>3,863</b>	<b>93%</b>	<b>34,381</b>

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

Description	2016/17	Budget Year 2017/18							
	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/Sub-class</b>									
<b>Infrastructure</b>	35,531	38,474	-	2,999	3,687	1,820	(1,867)	-103%	38,474
<b>Roads Infrastructure</b>	35,531	38,474	-	2,544	3,232	1,820	(1,412)	-78%	38,474
Roads	35,531	38,474		2,544	3,232	1,820	(1,412)	-78%	38,474
Road Structures		-					-		-
Road Furniture		-					-		-
Capital Spares		-					-		-
<b>Storm water Infrastructure</b>	-	-	-	-	-	-	-		-
Drainage Collection		-					-		
Storm water Conveyance		-					-		
Attenuation		-					-		
<b>Electrical Infrastructure</b>	-	-	-	455	455	-	(455)	0%	-
Power Plants		-					-		
HV Substations		-		-	-		-		
HV Switching Station		-					-		
HV Transmission Conductors		-					-		
MV Substations		-		455	455		(455)	0%	
Capital Spares		-					-		
<b>Community Assets</b>	8,772	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Abattoirs		-					-		
Airports		-					-		
Taxi Ranks/Bus Terminals		-					-		
Capital Spares		-					-		
<b>Sport and Recreation Facilities</b>	8,772	-	-	-	-	-	-		-
Indoor Facilities		-					-		
Outdoor Facilities	8,772	-					-		
Capital Spares		-					-		
<b>Heritage assets</b>	-	-	-	-	-	-	-		-
Other Heritage		-					-		
<b>Investment properties</b>	-	-	-	-	-	-	-		-
Improved Property		-					-		
Unimproved Property		-					-		
<b>Other assets</b>	1,477	500	-	-	-	-	-		500
<b>Operational Buildings</b>	1,477	500	-	-	-	-	-		500
Municipal Offices	1,477	500					-		500
Capital Spares		-					-		-
<b>Housing</b>	-	-	-	-	-	-	-		-
Staff Housing		-					-		
Social Housing		-					-		
Capital Spares		-					-		
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-					-		
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes		-					-		
Computer Software and Applications		-					-		
Unspecified		-					-		
<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>Libraries</b>	-	-	-	-	-	-	-		-
Libraries		-					-		
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>45,780</b>	<b>38,974</b>	<b>-</b>	<b>2,999</b>	<b>3,687</b>	<b>1,820</b>	<b>(1,867)</b>	<b>-103%</b>	<b>38,974</b>

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

Description	2016/17	Budget Year 2017/18							
	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/Sub-class</b>									
<b>Infrastructure</b>	5,630	6,700	-	522	807	1,500	693	46%	6,700
<b>Roads Infrastructure</b>	1,300	2,500	-	-	-	400	400	100%	2,500
Roads	1,300	2,500	-	-	-	400	400	100%	2,500
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Storm water Infrastructure</b>	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Attenuation	-	-	-	-	-	-	-	-	-
<b>Electrical Infrastructure</b>	1,780	1,900	-	86	370	550	180	33%	1,900
Power Plants	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
MV Switching Stations	-	-	-	-	-	-	-	-	-
MV Networks	1,780	1,800	-	86	370	500	130	26%	1,800
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	100	-	-	-	50	50	100%	100
<b>Solid Waste Infrastructure</b>	2,550	2,300	-	436	436	550	114	21%	2,300
Landfill Sites	2,550	2,150	-	436	436	500	64	13%	2,150
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Waste Drop-off Points	-	-	-	-	-	-	-	-	-
Waste Separation Facilities	-	-	-	-	-	-	-	-	-
Electricity Generation Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	150	-	-	-	50	50	100%	150
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	3,607	1,300	-	29	48	400	352	88%	1,300
<b>Operational Buildings</b>	3,607	1,300	-	29	48	400	352	88%	1,300
Municipal Offices	3,607	1,300	-	29	48	400	352	88%	1,300
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Housing</b>	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	25	100	-	-	-	20	20	100%	100
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	25	100	-	-	-	20	20	100%	100
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	25	100	-	-	-	20	20	100%	100
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	1,900	1,711	-	-	192	466	273	59%	1,711
Machinery and Equipment	1,900	1,711	-	-	192	466	273	59%	1,711
<b>Transport Assets</b>	1,890	1,500	-	116	170	700	530	76%	1,500
Transport Assets	1,890	1,500	-	116	170	700	530	76%	1,500
<b>Libraries</b>	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	13,052	11,311	-	667	1,216	3,086	1,869	61%	11,311

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

Description	2016/17	Budget Year 2017/18							
	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>	<b>44,841</b>	<b>45,835</b>	-	-	-	<b>7,639</b>	<b>7,639</b>	<b>100%</b>	<b>45,835</b>
<b>Roads Infrastructure</b>	<b>24,710</b>	<b>25,298</b>	-	-	-	<b>4,216</b>	<b>4,216</b>	<b>0</b>	<b>25,298</b>
Roads	24,710	25,298				4,216	4,216	100%	25,298
Road Structures									
Road Furniture									
Capital Spares									
<b>Storm water Infrastructure</b>	<b>5,525</b>	<b>5,746</b>	-	-	-	<b>958</b>	<b>958</b>	<b>100%</b>	<b>5,746</b>
Drainage Collection									
Storm water Conveyance	5,525	5,746				958	958	100%	5,746
Attenuation									
<b>Electrical Infrastructure</b>	<b>12,306</b>	<b>12,398</b>	-	-	-	<b>2,066</b>	<b>2,066</b>	<b>100%</b>	<b>12,398</b>
Power Plants									
HV Substations									
HV Switching Station									
HV Transmission Conductors	12,306	12,398				2,066	2,066	100%	12,398
MV Substations									
MV Switching Stations									
MV Networks									
LV Networks									
Capital Spares									
<b>Solid Waste Infrastructure</b>	<b>2,300</b>	<b>2,392</b>	-	-	-	<b>399</b>	<b>399</b>	<b>100%</b>	<b>2,392</b>
Landfill Sites	2,300	2,392				399	399	100%	2,392
Capital Spares									
<b>Community Assets</b>	<b>2,145</b>	<b>2,231</b>	-	-	-	<b>372</b>	<b>372</b>	<b>100%</b>	<b>2,231</b>
<b>Community Facilities</b>	<b>2,145</b>	<b>2,231</b>	-	-	-	<b>372</b>	<b>372</b>	<b>100%</b>	<b>2,231</b>
Libraries									
Cemeteries/Crematoria	2,145	2,231				372	372	100%	2,231
Taxi Ranks/Bus Terminals									
Capital Spares									
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
Capital Spares									
Heritage assets									
Monuments									
Other Heritage									
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
<b>Other assets</b>	<b>115</b>	<b>120</b>	-	-	-	<b>20</b>	<b>20</b>	<b>100%</b>	<b>120</b>
<b>Operational Buildings</b>	<b>115</b>	<b>120</b>	-	-	-	<b>20</b>	<b>20</b>	<b>100%</b>	<b>120</b>
Municipal Offices	115	120				20	20	100%	120
Capital Spares									
<b>Housing</b>	-	-	-	-	-	-	-	-	-
Staff Housing									
Social Housing									
Capital Spares									
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes									
Licences and Rights									
Solid Waste Licenses									
Computer Software and Applications									
Unspecified									
<b>Computer Equipment</b>	<b>20</b>	<b>21</b>	-	-	-	<b>3</b>	<b>3</b>	<b>0</b>	<b>21</b>
Computer Equipment	20	21				3	3	0	21
<b>Furniture and Office Equipment</b>	<b>25</b>	<b>26</b>	-	-	-	<b>4</b>	<b>4</b>	<b>0</b>	<b>26</b>
Furniture and Office Equipment	25	26				4	4	0	26
<b>Machinery and Equipment</b>	<b>2,000</b>	<b>2,080</b>	-	-	-	<b>347</b>	<b>347</b>	<b>0</b>	<b>2,080</b>
Machinery and Equipment	2,000	2,080				347	347	0	2,080
<b>Transport Assets</b>	<b>854</b>	<b>888</b>	-	-	-	<b>148</b>	<b>148</b>	<b>0</b>	<b>888</b>
Transport Assets	854	888				148	148	0	888
<b>Libraries</b>	-	-	-	-	-	-	-	-	-
Libraries									
<b>Total Depreciation</b>	<b>50,000</b>	<b>51,200</b>	-	-	-	<b>8,533</b>	<b>8,533</b>	<b>0</b>	<b>51,200</b>

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

Description	2016/17	Budget Year 2017/18							
	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</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
<b>Roads Infrastructure</b>	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Storm water Infrastructure</b>	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Attenuation	-	-	-	-	-	-	-	-	-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-	-	-
Power Plants	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
MV Switching Stations	-	-	-	-	-	-	-	-	-
MV Networks	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Solid Waste Infrastructure</b>	-	-	-	-	-	-	-	-	-
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Waste Drop-off Points	-	-	-	-	-	-	-	-	-
Waste Separation Facilities	-	-	-	-	-	-	-	-	-
Electricity Generation Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-
<b>Community Facilities</b>	-	-	-	-	-	-	-	-	-
Halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	3,947	-	-	-	280	280	100%	3,947
<b>Operational Buildings</b>	-	3,947	-	-	-	280	280	0	3,947
Municipal Offices	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	3,947	-	-	-	280	280	0	3,947
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<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>Libraries</b>	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on upgrading of existing assets</b>	-	3,947	-	-	-	280	280	0	3,947

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

The total expenditure for new capital projects amounts to R276 thousand and the year to date budget is R4, 139 million which reflects under spending variance of R3, 863 million that translates to 93% variance. The year to date actuals on renewal of existing assets amounts R3, 687 million with the year to date budget of R1, 820 million and this reflects under spending variance of R 1, 867 million that translates to 103% variance. The year to date actuals on upgrading of existing assets amounts R 280 thousand with the year to date budget of R 280 thousand and this reflects positive spending in line with projected budget.

The year to date actual expenditure on repairs and maintenance is R1, 216 million and the year to date budget is R3, 086 million, reflecting under spending variance of R1, 869 million that translates to 60%.

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

## Quality certificate

I, RAMAKGAHLELA MINAH MAREDI, the Municipal Manager of ELIAS MOTSOLEDI LOCAL MUNICIPALITY, hereby certify that the monthly budget statement report and supporting documentation for the month of August 2017 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 ..... 14/09/2017 SEP. 2017

Municipal Manager