

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

FEBRUARY 2020

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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 February 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 2019-20 financial year amounts are not yet audited.

IN YEAR BUDGET STATEMENT TABLES

DESCRIPTION	2019/20			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	500,884,685	491,691,657	308,686,188	98%
		-		
OPERATING EXPENDITURE	482,591,369	485,305,414	265,303,597	101%
		-		
TRANSFER - CAPITAL	73,921,000	75,421,443	45,438,084	102%
SURPLUS/(DEFICIT)	92,214,316	103,578,736	101,473,919	112%
CAPITAL EXPENDITURE	95,653,510	113,090,431	64,022,854	118%

Table C1 – Budget Statement Summary

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	33,010	34,727	36,658	3,014	23,818	23,151	666	3%	36,658
Service charges	89,925	101,507	102,856	7,701	64,236	65,848	(1,611)	-2%	102,856
Investment revenue	2,800	2,946	3,246	–	1,187	1,705	(518)	-30%	3,246
Transfers and subsidies	245,278	272,618	272,735	170	203,981	181,856	22,125	12%	272,735
Other own revenue	84,683	89,087	76,196	1,766	15,464	65,995	(50,531)	-77%	76,196
Total Revenue (excluding capital transfers and	455,697	500,885	491,692	12,651	308,686	338,555	(29,869)	-9%	491,692
Employee costs	130,473	147,530	142,665	11,256	97,341	98,354	(1,013)	-1%	142,665
Remuneration of Councillors	24,291	25,554	25,068	1,951	16,011	17,036	(1,025)	-6%	25,068
Depreciation & asset impairment	51,181	56,520	54,830	273	273	39,080	(38,807)	-99%	54,830
Finance charges	2,900	2,505	2,505	408	1,581	1,670	(89)	-5%	2,505
Materials and bulk purchases	78,909	94,531	104,798	6,873	61,857	64,247	(2,390)	-4%	104,798
Transfers and subsidies	3,580	3,740	3,340	246	1,754	2,630	(876)	-33%	3,340
Other expenditure	157,835	152,210	152,099	4,426	86,485	102,527	(16,042)	-16%	152,099
Total Expenditure	449,169	482,591	485,305	25,432	265,304	325,545	(60,242)	-19%	485,305
Surplus/(Deficit)	6,528	18,293	6,386	(12,782)	43,383	13,010	30,373	233%	6,386
Transfers and subsidies - capital (monetary allocat	94,050	73,921	75,421	3,618	45,438	64,400	(18,962)	-29%	75,421
Contributions & Contributed assets	–	–	21,771	–	12,653	–	12,653	#DIV/0!	21,771
Surplus/(Deficit) after capital transfers & contri	100,578	92,214	103,579	(9,164)	101,474	77,410	24,064	31%	103,579
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	100,578	92,214	103,579	(9,164)	101,474	77,410	24,064	31%	103,579
Capital expenditure & funds sources									
Capital expenditure	97,258	95,654	113,090	6,384	64,023	67,243	(3,220)	-5%	113,090
Capital transfers recognised	81,841	73,921	97,192	5,970	54,376	56,978	(2,602)	-5%	97,192
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	15,417	21,733	15,898	415	9,647	10,266	(618)	-6%	15,898
Total sources of capital funds	97,258	95,654	113,090	6,384	64,023	67,243	(3,220)	-5%	113,090
Financial position									
Total current assets	211,349	115,014	120,388		124,366				120,388
Total non current assets	1,053,184	1,123,066	1,208,090		1,117,481				1,208,090
Total current liabilities	140,539	81,128	87,970		114,196				87,970
Total non current liabilities	121,097	103,696	103,515		98,557				103,515
Community wealth/Equity	1,002,897	1,053,256	1,136,993		1,029,093				1,136,993
Cash flows									
Net cash from (used) operating	118,137	102,851	121,326	(8,501)	22,496	83,344	60,848	73%	102,851
Net cash from (used) investing	(44,880)	(88,001)	(126,231)	(363)	(39,226)	(54,203)	(14,978)	28%	(88,001)
Net cash from (used) financing	(9,023)	(10,086)	(15,497)	(802)	(6,110)	(4,448)	1,662	-37%	(10,086)
Cash/cash equivalents at the month/year end	70,428	29,037	10,995	–	2,142	56,089	53,947	96%	29,746
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	12,555	5,433	2,491	2,340	2,401	2,330	16,235	56,069	99,853
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 February is R308, 686 million and the year to date budget of R338, 555 million and this reflects a negative variance of R29, 869 million which is mostly attributable to equitable shares received amounting to R201 757 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 30% unfavorable variance,
- Interest earned – outstanding debtors: 96% favorable variance,
- Rental on Facilities and Equipment: 27% unfavorable variance,
- Fines, penalties and forfeits: 95% unfavorable variance
- Transfer and Subsidies: 12% favorable variance
- Services Charges – electricity revenue: 5% unfavorable variance
- Services Charges – refuse revenue: 32% favorable variance
- Licenses and permits: 10% favorable variance
- Property rates: 3% favorable variance
- Other revenue: 22% unfavorable

Operating Expenditure

The year to date operational expenditure as at end of February amounts to R265, 304 million and the year to date budget is R325, 404 million. This reflects underspending variance of R60, 101 million that translates to 18% 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: 11% over performance
- Depreciation and asset impairment: 100% under performance variance
- Debt impairment: 99% under performance variance
- Transfers and subsidies: 33% under performance variance
- Contracted services: 63% over 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 February 2020 amounts to R64, 023 million and the year to date budget amounts to R67, 243 million and this gives rise to R3, 220 million under performance.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month of February is R101, 474 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 February amounts to R99, 853 million and this shows an increase of R19, 744 million as compared to R80, 108 million as at end of 2018/19 financial year.

Consumer debtors is made up of service charges and property rates that amount to R68, 479 million and other debtors amounting to R31, 374 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 February as required by MFMA and as a result.

Table C2 – Financial Performance (Standard Classification)

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	198,283	214,636	217,729	4,132	164,089	142,422	21,668	15%	217,729
Executive and council	42,873	46,559	46,559	–	37,994	30,830	7,164	23%	46,559
Finance and administration	147,508	159,127	162,220	4,132	119,169	105,665	13,504	13%	162,220
Internal audit	7,902	8,950	8,950	–	6,926	5,926	1,000	17%	8,950
Community and public safety	88,850	94,968	74,760	128	17,935	71,215	(53,280)	-75%	74,760
Community and social services	7,973	9,026	9,076	4	5,996	5,977	19	0%	9,076
Sport and recreation	10,677	12,092	12,092	–	8,922	8,005	917	11%	12,092
Public safety	70,200	73,850	53,592	124	3,017	57,234	(54,217)	-95%	53,592
Economic and environmental services	141,810	117,004	141,587	3,680	87,651	90,647	(2,996)	-3%	141,587
Planning and development	17,107	21,564	21,339	199	14,251	14,710	(459)	-3%	21,339
Road transport	123,685	94,287	118,977	3,481	72,636	75,056	(2,420)	-3%	118,977
Environmental protection	1,018	1,153	1,270	–	764	881	(117)	-13%	1,270
Trading services	120,804	148,197	154,808	8,328	97,101	98,671	(1,570)	-2%	154,808
Energy sources	102,039	119,623	126,235	7,623	77,444	81,172	(3,728)	-5%	126,235
Waste management	18,765	28,574	28,574	705	19,657	17,499	2,158	12%	28,574
Total Revenue - Functional	549,746	574,806	588,884	16,269	366,778	402,955	(36,178)	-9%	588,884
Expenditure - Functional									
Governance and administration	184,555	191,835	209,573	12,768	142,089	131,113	10,976	8%	209,573
Executive and council	39,998	41,658	50,599	3,175	36,187	27,663	8,524	31%	50,599
Finance and administration	135,446	141,488	152,110	9,467	100,096	96,997	3,099	3%	152,110
Internal audit	9,111	8,689	6,864	126	5,807	6,454	(647)	-10%	6,864
Community and public safety	68,557	76,535	59,454	2,199	17,789	50,943	(33,154)	-65%	59,454
Community and social services	5,563	7,457	5,582	436	3,449	5,001	(1,552)	-31%	5,582
Sport and recreation	9,713	11,037	8,951	438	3,851	7,367	(3,516)	-48%	8,951
Public safety	53,281	58,041	44,921	1,325	10,489	38,575	(28,086)	-73%	44,921
Economic and environmental services	79,856	87,675	84,795	3,262	32,573	59,113	(26,540)	-45%	84,795
Planning and development	15,813	17,147	19,388	950	10,164	11,479	(1,315)	-11%	19,388
Road transport	63,315	69,685	64,766	2,266	21,991	47,079	(25,088)	-53%	64,766
Environmental protection	728	843	641	45	418	554	(137)	-25%	641
Trading services	116,200	126,546	131,483	7,204	72,853	84,376	(11,524)	-14%	131,483
Energy sources	92,646	99,370	104,456	6,023	55,371	66,418	(11,047)	-17%	104,456
Waste management	23,554	27,177	27,027	1,180	17,481	17,958	(477)	-3%	27,027
Total Expenditure - Functional	449,169	482,591	485,305	25,432	265,304	325,545	(60,242)	-19%	485,305
Surplus/ (Deficit) for the year	100,578	92,214	103,579	(9,164)	101,474	77,410	24,064	31%	103,579

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

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	38,168	46,559	41,231	–	34,302	27,302	7,000	26%	41,231
Vote 2 - Municipal Manager	31,469	35,643	35,643	–	26,766	23,602	3,164	13%	35,643
Vote 3 - Budget & Treasury	59,272	64,188	67,281	4,118	47,605	42,800	4,805	11%	67,281
Vote 4 - Corporate Services	39,931	40,227	40,227	14	30,794	26,636	4,158	16%	40,227
Vote 5 - Community Services	120,478	132,693	113,239	1,271	41,865	94,431	(52,567)	-56%	113,239
Vote 6 - Technical Services	233,051	227,629	258,293	10,666	162,952	165,771	(2,820)	-2%	258,293
Vote 7 - Developmental Planning	11,282	14,966	14,741	199	9,882	10,341	(459)	-4%	14,741
Vote 8 - Executive Support	16,094	18,229	18,229	–	12,612	12,071	541	4%	18,229
Total Revenue by Vote	549,746	580,134	588,884	16,269	366,778	402,955	(36,178)	-9%	588,884
Expenditure by Vote									
Vote 1 - Executive & Council	35,307	36,873	42,579	2,888	29,909	23,960	5,949	25%	42,579
Vote 2 - Municipal Manager	37,306	35,065	42,688	2,558	37,416	24,322	13,094	54%	42,688
Vote 3 - Budget & Treasury	51,072	52,917	56,083	2,458	39,263	37,128	2,135	6%	56,083
Vote 4 - Corporate Services	30,600	36,814	30,859	2,039	14,319	24,753	(10,434)	-42%	30,859
Vote 5 - Community Services	100,333	112,427	94,391	3,959	40,410	74,689	(34,279)	-46%	94,391
Vote 6 - Technical Services	167,702	181,124	185,231	9,646	84,322	121,826	(37,504)	-31%	185,231
Vote 7 - Developmental Planning	9,977	13,185	12,998	518	5,902	8,772	(2,870)	-33%	12,998
Vote 8 - Executive Support	14,187	15,088	19,749	1,366	13,763	9,620	4,143	43%	19,749
Total Expenditure by Vote	446,483	483,492	484,577	25,432	265,304	325,071	(59,767)	-18%	484,577
Surplus/ (Deficit) for the year	103,263	96,642	104,307	(9,164)	101,474	77,884	23,589	30%	104,307

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	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	33,010	34,727	36,658	3,014	23,818	23,151	666	3%	36,658
Service charges - electricity revenue	81,798	92,957	94,306	6,996	58,624	61,585	(2,961)	-5%	94,306
Service charges - refuse revenue	8,127	8,550	8,550	705	5,612	4,262	1,350	32%	8,550
Rental of facilities and equipment	1,000	1,052	2,033	51	513	701	(188)	-27%	2,033
Interest earned - external investments	2,800	2,946	3,246	-	1,187	1,705	(518)	-30%	3,246
Interest earned - outstanding debtors	6,692	7,040	12,303	1,058	7,655	3,912	3,743	96%	12,303
Fines, penalties and forfeits	70,209	73,860	53,638	146	3,063	57,242	(54,179)	-95%	53,638
Licences and permits	5,200	5,470	6,070	416	3,466	3,163	304	10%	6,070
Transfers and subsidies	245,278	272,618	272,735	170	203,981	181,856	22,125	12%	272,735
Other revenue	1,582	1,664	1,290	94	767	977	(210)	-22%	1,290
Gains on disposal of PPE	-	-	862	-	-	-	-	-	862
Total Revenue (excluding capital transfers and contributions)	455,697	500,885	491,692	12,651	308,686	338,555	(29,869)	-9%	491,692
Expenditure By Type									
Employee related costs	130,473	147,530	142,665	11,256	97,341	98,354	(1,013)	-1%	142,665
Remuneration of councillors	24,291	25,554	25,068	1,951	16,011	17,036	(1,025)	-6%	25,068
Debt impairment	55,000	57,860	43,505	-	-	37,173	(37,173)	-100%	43,505
Depreciation & asset impairment	51,181	56,520	54,830	273	273	39,080	(38,807)	-99%	54,830
Finance charges	2,900	2,505	2,505	408	1,581	1,670	(89)	-5%	2,505
Bulk purchases	70,000	80,941	87,000	5,616	50,474	53,961	(3,486)	-6%	87,000
Other materials	8,909	13,590	17,798	1,257	11,383	10,286	1,097	11%	17,798
Contracted services	59,841	53,788	65,807	2,318	61,070	37,635	23,435	62%	65,807
Transfers and subsidies	3,580	3,740	3,340	246	1,754	2,630	(876)	-33%	3,340
Other expenditure	42,994	40,562	42,787	2,108	25,415	27,719	(2,304)	-8%	42,787
Loss on disposal of PPE	-	(0)	-	-	-	-	-	-	-
Total Expenditure	449,169	482,591	485,305	25,432	265,304	325,545	(60,242)	-19%	485,305
Surplus/(Deficit)	6,528	18,293	6,386	(12,782)	43,383	13,010	30,373	233%	6,386
Transfers and subsidies - capital (monetary allocations)	94,050	73,921	75,421	3,618	45,438	64,400	(18,962)	-29%	75,421
Transfers and subsidies - capital (monetary allocations)	-	-	21,771	-	12,653	-	12,653		21,771
Transfers and subsidies - capital (in-kind - all)							-		
Surplus/(Deficit) after capital transfers & contributions	100,578	92,214	103,579	(9,164)	101,474	77,410			103,579
Surplus/(Deficit) after taxation	100,578	92,214	103,579	(9,164)	101,474	77,410			103,579
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	100,578	92,214	103,579	(9,164)	101,474	77,410			103,579
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	100,578	92,214	103,579	(9,164)	101,474	77,410			103,579

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 councilors, 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

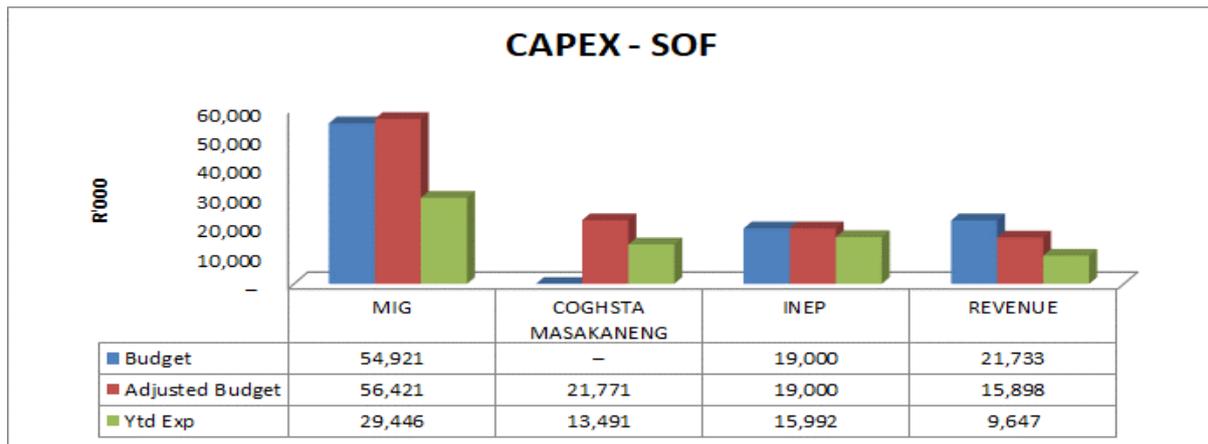
Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	2,200	1,800	1,015	-	569	1,571	(1,002)	-64%	1,015
Executive and council							-		
Finance and administration	2,200	1,800	1,015	-	569	1,571	(1,002)	-64%	1,015
Internal audit							-		
Community and public safety	522	500	-	-	-	500	(500)	-100%	-
Community and social services	522	500	-	-	-	500	(500)	-100%	-
Sport and recreation							-		
Public safety							-		
Housing							-		
Health							-		
Economic and environmental services	79,449	72,006	91,010	5,386	47,787	48,285	(498)	-1%	91,010
Planning and development							-		
Road transport	79,449	72,006	91,010	5,386	47,787	48,285	(498)	-1%	91,010
Environmental protection							-		
Trading services	15,087	21,348	21,066	999	15,667	16,887	(1,220)	-7%	21,066
Energy sources	13,487	19,522	19,562	883	14,604	15,061	(457)	-3%	19,562
Water management							-		
Waste water management							-		
Waste management	1,600	1,826	1,504	116	1,063	1,826	(763)	-42%	1,504
Other							-		
Total Capital Expenditure - Functional Classification	97,258	95,654	113,090	6,384	64,023	67,243	(3,220)	-5%	113,090
Funded by:									
National Government	62,910	73,921	75,421	3,481	40,885	40,568	316	1%	75,421
Provincial Government	18,931	-	21,771	2,488	13,491	16,409	(2,918)	-18%	21,771
District Municipality							-		
Other transfers and grants							-		
Transfers recognised - capital	81,841	73,921	97,192	5,970	54,376	56,978	(2,602)	-5%	97,192
Borrowing							-		
Internally generated funds	15,417	21,733	15,898	415	9,647	10,266	(618)	-6%	15,898
Total Capital Funding	97,258	95,654	113,090	6,384	64,023	67,243	(3,220)	-5%	113,090

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,400	-	-	-	-	-	-	-	-
Vote 5 - Community Services	1,600	-	-	-	-	-	-	-	-
Vote 6 - Technical Services	25,714	50,583	50,816	983	30,337	32,931	(2,594)	-8%	50,816
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	28,714	50,583	50,816	983	30,337	32,931	(2,594)	-8%	50,816
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	500	-	-	-	-	-	-	-
Vote 4 - Corporate Services	800	1,800	1,015	-	569	766	(197)	-26%	1,015
Vote 5 - Community Services	522	1,826	1,504	116	1,063	1,826	(763)	-42%	1,504
Vote 6 - Technical Services	67,222	40,945	59,756	5,285	32,054	31,721	333	1%	59,756
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	68,544	45,071	62,275	5,401	33,686	34,312	(626)	-2%	62,275
Total Capital Expenditure	97,258	95,654	113,090	6,384	64,023	67,243	(3,220)	-5%	113,090

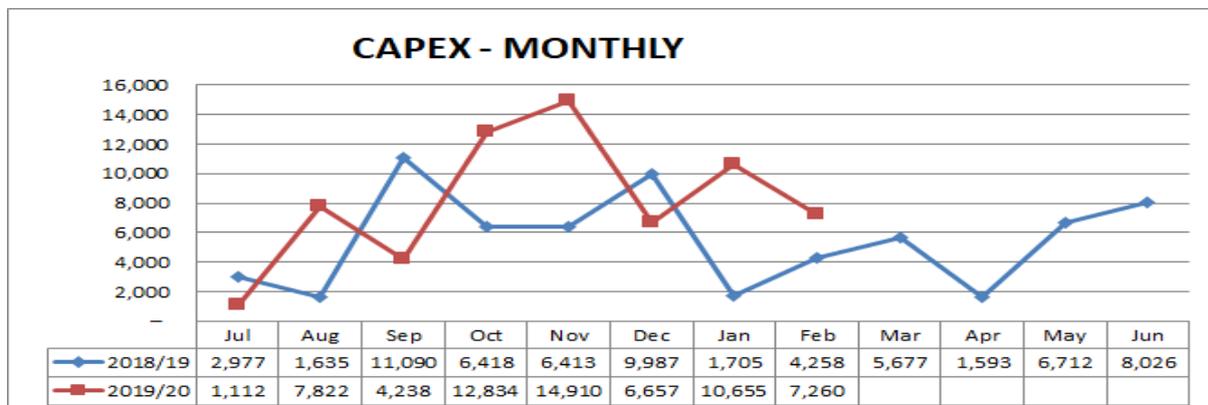
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of February 2020, R7, 260 million spending is incurred and that increased the year to date expenditure to R66, 579 million whilst the year to date budget is R70, 371 million and this gave rise to under spending variance of R4, 152 million that translates to 6%.

Figure 1: Capital expenditure by source



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R113, 090 million, R56, 421 million is funded from Municipal Infrastructure grant, R21, 771 million from COGHSTA for the development of Masakaneng, R19, 000 million from Integrated National Electrification Programme and R15, 898 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 2018/19 and 2019/20 monthly capital expenditure performance.

Table C6: Monthly Budget Statement Financial Position

Description	2018/19	Budget Year 2019/20			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	3,136	4,882	16,697	2,142	16,697
Call investment deposits	67,292	24,155	–	–	–
Consumer debtors	45,009	41,950	49,631	55,736	49,631
Other debtors	89,584	40,727	49,052	58,267	49,052
Current portion of long-term receivables	–	–	–	–	–
Inventory	6,328	3,300	5,009	8,221	5,009
Total current assets	211,349	115,014	120,388	124,366	120,388
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	–	–	13,539	774	13,539
Investment property	54,139	53,739	58,240	58,240	58,240
Investments in Associate	–	–	–	–	–
Property, plant and equipment	997,723	1,055,765	1,135,808	1,057,692	1,135,808
Biological					
Intangible	85	85	39	39	39
Other non-current assets	1,237	13,476	463	736	463
Total non current assets	1,053,184	1,123,066	1,208,090	1,117,481	1,208,090
TOTAL ASSETS	1,264,533	1,238,080	1,328,478	1,241,847	1,328,478
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	5,002	9,686	11,542	8,587	11,542
Consumer deposits	5,373	4,860	5,430	5,558	5,430
Trade and other payables	126,449	60,924	64,491	88,693	64,491
Provisions	3,715	5,658	6,508	11,358	6,508
Total current liabilities	140,539	81,128	87,970	114,196	87,970
Non current liabilities					
Borrowing	23,097	13,554	13,469	13,469	13,469
Provisions	98,000	90,142	90,046	85,088	90,046
Total non current liabilities	121,097	103,696	103,515	98,557	103,515
TOTAL LIABILITIES	261,637	184,824	191,485	212,753	191,485
NET ASSETS	1,002,897	1,053,256	1,136,993	1,029,093	1,136,993
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1,002,897	1,053,256	1,136,993	1,029,093	1,136,993
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	1,002,897	1,053,256	1,136,993	1,029,093	1,136,993

The above table shows that community wealth amounts to R1, 029 billion, total liabilities R212, 753 million and the total assets R1, 241 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 1.1:1 that is slightly above the norm of 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	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	18,029	21,878	20,958	2,022	16,534	17,364	(830)	-5%	21,878
Service charges	69,861	91,398	101,547	7,550	57,703	45,195	12,508	28%	91,398
Other revenue	30,398	17,441	15,467	1,611	15,651	23,865	(8,214)	-34%	17,441
Government - operating	186,331	272,618	272,735	411	205,366	181,465	23,901	13%	272,618
Government - capital	93,601	73,921	75,421	5,000	58,434	64,400	(5,966)	-9%	73,921
Interest	3,493	3,861	15,548	63	1,924	3,833	(1,909)	-50%	3,861
Dividends	-	-					-		-
Payments									
Suppliers and employees	(280,260)	(372,021)	(374,506)	(24,505)	(329,534)	(249,735)	79,800	-32%	(372,021)
Finance charges	(1,397)	(2,505)	(2,505)	(408)	(1,827)	(1,253)	575	-46%	(2,505)
Transfers and Grants	(1,919)	(3,740)	(3,340)	(246)	(1,754)	(1,790)	(36)	2%	(3,740)
NET CASH FROM/(USED) OPERATING ACTIVITIES	118,137	102,851	121,326	(8,501)	22,496	83,344	60,848	73%	102,851
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	3,022	-	862	-	-	-	-		-
Decrease (Increase) in non-current debtors	-	-	-	6,021	28,366	-	28,366	#DIV/0!	-
Decrease (increase) other non-current receivables	150	-	(463)	-	-	-	-		-
Decrease (increase) in non-current investments	-	-	(13,539)	-	-	-	-		-
Payments									
Capital assets	(48,052)	(88,001)	(113,090)	(6,384)	(67,592)	(54,203)	13,389	-25%	(88,001)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(44,880)	(88,001)	(126,231)	(363)	(39,226)	(54,203)	(14,978)	28%	(88,001)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-				-		-
Borrowing long term/refinancing	-	-	1,542				-		-
Increase (decrease) in consumer deposits	124	(400)	170	15	173	(916)	1,088	-119%	(400)
Payments									
Repayment of borrowing	(9,147)	(9,686)	(17,208)	(818)	(6,283)	(3,533)	2,751	-78%	(9,686)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(9,023)	(10,086)	(15,497)	(802)	(6,110)	(4,448)	1,662	-37%	(10,086)
NET INCREASE/ (DECREASE) IN CASH HELD	64,234	4,764	(20,402)	(9,667)	(22,840)	24,692			4,764
Cash/cash equivalents at beginning:	6,194	24,273	31,396		24,982	31,396			24,982
Cash/cash equivalents at month/year end:	70,428	29,037	10,995		2,142	56,089			29,746

Table C7 presents details pertaining to cash flow performance. As at end of February 2020, the net cash inflow from operating activities is R22, 496 million whilst net cash outflow from investing activities is R39, 226 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R6, 110 million. The cash and cash equivalent held at end of February 2020 amounted to R2, 142 million and the net effect of the above cash flows is cash inflow movement of R22, 840 million. The cash and cash equivalent at end of the reporting period of R2, 142 million, is mainly made up of only cash in the primary bank account amounting to R2, 142 million and there is no short-term investment.

PART 2: SUPPORTING TABLES

Supporting Table: SC 1 Material Variance Explanations

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source			
Property rates	3%	The projected monthly revenue appear to be slightly low in light of the actual revenue performance	No remedial action is needed as the adjustment budget has been passed
Service charges - electricity revenue	-5%	The projected monthly revenue appear to be higher in light of the actual revenue performance	No remedial action is needed
Service charges - refuse revenue	32%	The actual revenue generated in more than the projected monthly revenue	No remedial action is needed.
Rental of facilities and equipment	-27%	The majority of the rented assets are not at arm's length	The rental amount should be market related
Interest earned - external investments	-30%	The projected interest to be realised was overprojected	There should be an investment so to correspond with the projections.
Interest earned - outstanding debtors	96%	The projected interest to be realised was overprojected	Customers should be encourage to pay off their debts quickly.
Fines, penalties and forfeits	-95%	The contract of the speed fine cameras has expired hence the actuals are lower than the projects thereof.	The speed fine cameras tender has been advertised and it anticipated new contract will start soon.
Licences and permits	10%	The actual revenue generated in more than the projected monthly revenue	No remedial action is needed.
Transfers and subsidies	12%	The received tranche of equitable shares is higher than the projection thereof	No remedial action is needed as all budgeted grants have been gazetted
Other revenue	-22%	The actual revenue generated is less than the projected monthly revenue	No remedial action is needed.
Expenditure By Type			
Employee related costs	-1%	The actual expenditure incurred on employee related costs is less than the projected monthly expenditure	No remedial action is needed.
Remuneration of councillors	-6%	The actual expenditure incurred on remuneration of councillors is less than the projected monthly expenditure	No remedial action is needed.
Depreciation & asset impairment	-100%	Depreciation is still calculated at year end	Asset management system must be integrated with munsoft so that the monthly depreciation movement can be interfaced and reported on
Finance charges	-5%	Finance charges is mainly for finance lease and the leased invoices are not captured before System closure	The Invoices will be reflected on the following Month
Bulk purchases	-6%	The current Eskom bill was paid but not captured on munsoft	All processed invoices must be captured on munsoft before month end system closure
Other materials	11%	The actual expenditure incurred is more the projected monthly expenditure.	No remedial action is needed.
Contracted services	63%	The actual expenditure incurred is more than the projected monthly expenditure	There is a serious need to monitor and manage some of contractd services by limiting the overspending thereof.
Transfers and subsidies	-33%	The actual expenditure incurred was less than the projected monthly expenditure	No remedial action is needed
Other expenditure	-8%	The actual expenditure incurred is less than the projected monthly expenditure	No remedial action is needed

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure			
National Government	1%	The spending on grants funded capital projects are in line with the projected expenditure thereof	No remedial action is needed
Internally generated funds	-6%	The spending on internally generated funded capital projects are in line with the projected expenditure thereof	No remedial action is needed
Cash Flow			
Service charges	28%	The collection rate on service charges is above the projected	No remedial action is needed
Other revenue	-34%	The collection rate on tender documents (grants funded) for 2019/20 are not selling as projected	This need to be looked into
Government - operating	13%	The first tranche of equitable share was higher than the projection thereof	No remedial action is needed as all budgeted grants have been gazetted
Interest	-50%	Interest on Outstanding Debtors isn't as projected due to the under collection from debtors	Finance department to strengthen the credit control measures in ensuring improved collection rate
Suppliers and employees	-32%	The actual costs incurred is above the projected costs	No remedial action is needed
Capital assets	-25%	The projected capital expenditure on capex is lower than the actual spending thereof	No remedial action is needed
Transfers and Grants	2%	The payments relating to this account are slightly over projected for the previous months	No remedial action is needed
Increase (decrease) in consumer deposits	-119%	Consumer deposits were significantly higher than the projection thereof	No remedial action is needed
Repayment of borrowing	-78%	Projected repayments were lower than the actual Payment	No remedial action is needed

Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2019/20										Actual Bad Debts Written Off	Impairment - 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			
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	6,852	2,189	95	75	63	65	315	2,882	12,537	3,401			
Receivables from Non-exchange Transactions - Property Rates	3,014	1,400	1,102	1,073	1,044	1,036	8,603	24,517	41,790	36,273			
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-			
Receivables from Exchange Transactions - Waste Management	709	470	377	370	368	366	2,143	8,239	13,041	11,485			
Receivables from Exchange Transactions - Property Rental Debtors	48	15	8	8	8	8	143	873	1,112	1,041			
Interest on Arrear Debtor Accounts	1,070	1,024	982	951	922	895	4,786	19,086	29,717	26,640			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-			
Other	862	334	(73)	(138)	(4)	(41)	244	472	1,657	534			
Total By Income Source	12,555	5,433	2,491	2,340	2,401	2,330	16,235	56,069	99,853	79,374	-	-	-
2018/19 - totals only	14,655	2,529	2,370	2,001	2,229	2,051	11,203	43,070	80,108	60,554			
Debtors Age Analysis By Customer Group													
Organs of State	1,616	848	585	544	561	479	3,591	12,306	20,530	17,481			
Commercial	6,466	1,901	339	259	318	328	1,815	8,006	19,434	10,727			
Households	2,952	1,423	607	607	612	626	4,042	14,363	25,232	20,250			
Other	1,521	1,261	959	930	911	896	6,786	21,394	34,657	30,916			
Total By Customer Group	12,555	5,433	2,491	2,340	2,401	2,330	16,235	56,069	99,853	79,374	-	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of February amount to R99, 853 million. The debtors' book is made up as follows:

- Rates 42%
- Electricity 13%
- Rental 1%
- Refuse removal 13%
- Interest on Debtors 30%
- Other 2%

The debtors' age analysis is graphically presented below.

Figure 3: Debtors age analysis

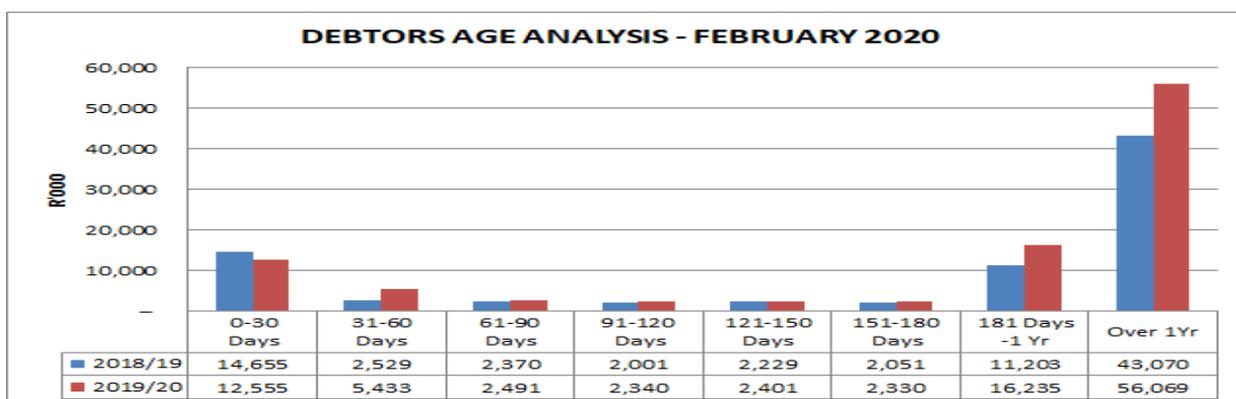
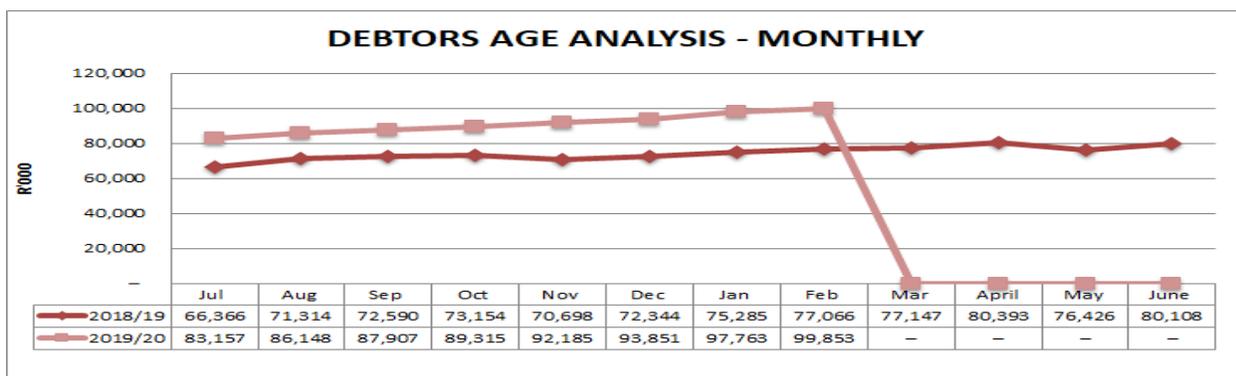


Figure 4: Monthly debtors book



The initial graph compares debtors' age analysis for 2018/19 financial year and 2019/20 (as at end of February 2020) whilst the latter shows monthly movement of debtors for both the current financial year and the 2018/19 financial year. The debtors book is materially less than the 2019/20 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	1,786,303.49
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	970,459.57
201885	SHOPRITE CHECKERS (PTY) LTD	ACTIVE	OCCUPIER	437,087.19
1501364	JAN JOUBERT TR (JO JO TANKS)	ACTIVE	OWNER	409,713.03
9000276	DEPARTMENT OF PUBLIC WORKS-PROVINCIAL	ACTIVE	OWNER	392,535.56
2000270	PROVINSIALE HOSPITAAL	ACTIVE	OCCUPIER	334,881.56
6000908	DEPARTMENT OF EDUCATION	ACTIVE	OWNER	325,019.55
5001708	UNITRADE 518 (PTY) LTD	ACTIVE	OWNER	272,526.48
9002065	GOVERNMENT OF KWANDEBELE	ACTIVE	OWNER	271,969.42
2200702	NAMIB FAMILY TRUST	ACTIVE	OWNER	243,168.60
9002958	PROVINCIAL GOVERNMENT OF LIMPO	ACTIVE	OWNER	242,257.32
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	OWNER	227,343.05
9053280	LIMPOPO GOVERNMENT PROV(BEN VILJOEN)	ACTIVE	OWNER	205,725.50
5002109	VAN AARD FJ(MAPOCHH	ACTIVE	OCCUPIER	202,628.92
9000400	UITZOECHT LANDGOED CC	ACTIVE	OWNER	200,735.19
9002503	GOUWS BOERDERY TRUST	ACTIVE	OWNER	196,930.83
136	LIZINEX (PTY) LTD	ACTIVE	OWNER	194,027.90
9019006	TIGER STRIPES INVESTMENTS (PTY	ACTIVE	OWNER	190,603.96
20494	BREAKAWAY TRUST	ACTIVE	OWNER	185,003.20
7000918	MATHEBULA JABULANI JACK TITUS	ACTIVE	OWNER	180,848.09
TOTAL				7,469,768.41

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2019/20									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	
Creditors Age Analysis By Customer Type										
Bulk Electricity										-
Bulk Water										-
PAYE deductions										-
VAT (output less input)										-
Pensions / Retirement deductions										-
Loan repayments										-
Trade Creditors										-
Auditor General										-
Other										-
Total By Customer Type	-	-	-	-	-	-	-	-	-	-

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 paid through direct/straight payments that do not 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

CODE	CREDITOR NAME	AMOUNT
1004	LERMAT CONSTRUCTION & PROJECTS	268,525.00
31335	247 TRAVEL AND TOURISM	155,300.00
35380	SYLOVIAL TRADING & PROJECTS CC	143,000.00
41095	REAKGONA TRAVEL SERVICES	73,175.00
80654	MPOFU ELECTRICAL SERVICES	53,156.45
80653	BABIRWA TRAVEL	48,231.58
41027	KDM TRAVEL EXPRESS	41,988.56
80219	RANDBRENOT INVESTMENT (PTY)LTD	29,267.50
80929	JOHNDIP SECURITY SOLUTIONS	29,200.00
80973	UPPER PROJECTS	29,100.06
41060	PAPI INVESTMENT	29,037.50
37616	ANDRI-ROSE TRADING ENTERPRISE	28,952.00
80710	FENTSE INVESTMENTS	28,950.00
80366	ASHCOR TRAVELS (PTY) LTD	28,900.00
70087	KHULATANG TRADING ENTERPRISE	28,500.00
80975	THAPELO PROJECT	28,450.00
80980	LENKALE GROUP	28,200.00
37555	HLABIRWA LE RAMOGHLO TRANSPOR	27,800.00
80976	LOVEBRED CONNEXION	27,000.00
517	METER SECURITY AND CLEANING	26,910.00
TOTAL		1,153,643.65

The above table presents the top creditors paid during the month of February 2020 and an amount of R1, 153 million were paid to these creditors within 30 days.

Supporting Table: SC 6 - Transfers and Grant Receipts

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	245,278	272,618	272,618	411	205,366	181,465	23,901	13%	272,618
Local Government Equitable Share	237,506	269,009	269,009	-	201,757	178,130	23,627	13%	269,009
Finance Management	1,770	2,235	2,235	-	2,235	2,235	-		2,235
EPWP Incentive	1,002	1,374	1,374	411	1,374	1,100	274	25%	1,374
Energy Efficiency and Demand Management	5,000	-	-	-	-	-			-
Provincial Government:	-	-	-	-	-	-	-		-
N/A							-		
District Municipality:	-	-	-	-	-	-	-		-
N/A							-		
Other grant providers:	-	-	-	-	-	-	-		-
N/A							-		
Total Operating Transfers and Grants	245,278	272,618	272,618	411	205,366	181,465	23,901	13%	272,618
Capital Transfers and Grants									
National Government:	72,279	73,921	73,921	5,000	58,444	64,400	(5,956)	-9%	73,921
Municipal Infrastructure Grant (MIG)	62,270	54,921	54,921	-	39,444	49,500	(10,056)	-20%	54,921
Integrated National Electrification Grant	10,009	19,000	19,000	5,000	19,000	14,900	4,100	28%	19,000
Provincial Government:	21,771	-	21,771	-	-	-	-		21,771
Coghsta - Development	21,771	-	21,771						21,771
District Municipality:	-	-	-	-	-	-	-		-
N/A							-		
Other grant providers:	-	-	-	-	-	-	-		-
N/A							-		
Total Capital Transfers and Grants	94,050	73,921	95,692	5,000	58,444	64,400	(5,956)	-9%	95,692
TOTAL RECEIPTS OF TRANSFERS & GRANTS	339,328	346,539	368,310	5,411	263,810	245,865	17,945	7%	368,310

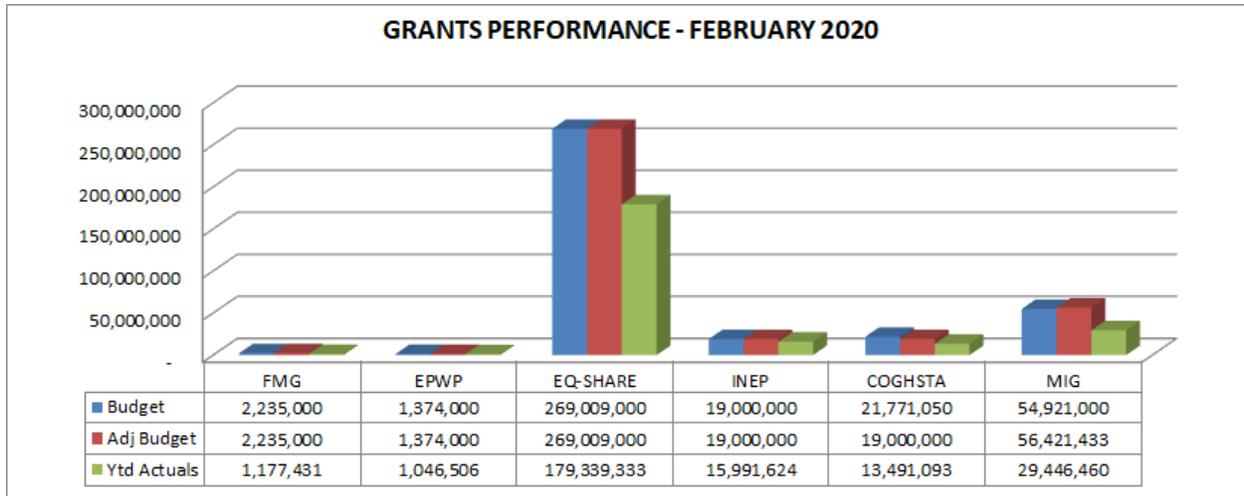
Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R268, 810 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R201 757 million; Integrated National Electrification Programme amounting to R19 000 million and Municipal Infrastructure Grant amounting to R39 444 million, Expanded Public Works Programme R1, 374 million, Financial Management Grant amounting to R2, 235 million were received. All 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	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	245,278	272,618	272,618	22,587	181,563	181,465	98	0%	272,618
Local Government Equitable Share	237,506	269,009	269,009	22,417	179,339	178,130	1,209	1%	269,009
Finance Management	1,770	2,235	2,235	42	1,177	2,235	(1,058)	-47%	2,235
EPWP Incentive	1,002	1,374	1,374	128	1,047	1,100	(53)	-5%	1,374
Energy Efficiency and Demand Management	5,000	-	-	-	-	-	-	-	-
Provincial Government:	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]									
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
[insert description]									
Total operating expenditure of Transfers and Grants:	245,278	272,618	272,618	22,587	181,563	181,465	98	0%	272,618
Capital expenditure of Transfers and Grants									
National Government:	72,279	73,921	73,921	3,618	45,438	60,400	(14,962)	-25%	73,921
Municipal Infrastructure Grant (MIG)	62,270	54,921	54,921	2,991	29,446	49,500	(20,054)	-41%	54,921
Intergrated National Electrification Grant	10,009	19,000	19,000	627	15,992	10,900	5,092	47%	19,000
Provincial Government:	21,771	21,771	21,771	-	13,491	4,256	9,235	217%	21,771
Coghsta - Development	21,771	21,771	21,771	-	13,491	4,256	9,235	217%	21,771
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	94,050	95,692	95,692	3,618	58,929	64,656	(5,727)	-9%	95,692
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	339,328	368,310	368,310	26,205	240,492	246,121	(5,629)	-2%	368,310

An amount of R26, 208 million has been spent on grants during the month of February 2020 and the year to date actuals is R240, 492 million whilst the year to date budget amounts to R246, 121 million and this results in underspending variance of R5, 629 million that translates to negative 9%. Of the total spending amounting to R26, 208 million, R22, 587 million is spent on operational grants whilst R3, 618 million is spent of capital grants.

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 February 2020. The grants expenditure are shown below in percentages:

- Financial Management Grant 52.68%
- Expanded Public Work Programme 76.16%
- Equitable Share 66.67%
- Integrated National Electrification Grant 84.17%
- COGHSTA – Masakaneng Development 61.97%
- Municipal Infrastructure Grant 53.62%

Supporting Table: SC7 (2) – Expenditure against approved rollovers

Description	Budget Year 2019/20				
	Approved Rollover 2018/19	Monthly actual	YearTD actual	YTD variance	YTD variance
EXPENDITURE					
Operating expenditure of Approved Roll-overs					
National Government:	-	-	-	-	
Local Government Equitable Share	-			-	
Finance Management	-			-	
EPWP Incentive	-			-	
Energy Efficiency and Demand Management	-			-	
Provincial Government:	-	-	-	-	
N/A				-	
District Municipality:	-	-	-	-	
N/A				-	
Other grant providers:	-	-	-	-	
N/A				-	
Total operating expenditure of Approved Roll-overs	-	-	-	-	
Capital expenditure of Approved Roll-overs					
National Government:	1,500	-	-	1,500	100%
Municipal Infrastructure Grant (MIG)	1,500			1,500	100%
Intergrated National Electrification Grant				-	
Provincial Government:	-	-	-	-	
Coghsta - Development				-	
District Municipality:	-	-	-	-	
N/A				-	
Other grant providers:	-	-	-	-	
N/A				-	
Total capital expenditure of Approved Roll-overs	1,500	-	-	1,500	100%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	1,500	-	-	1,500	100%

Table SC7 (2) provides details for expenditure on approved rollovers. The municipality applied for Municipal Infrastructure Grant roll over (amount not spend in 2018-19 financial year). Roll over approval amounted to R1, 500 million which relate to MIG and will be implemented during the adjustment budget.

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councilor remuneration	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	14,450	15,201	14,851	1,126	9,456	8,825	631	7%	14,851
Pension and UIF Contributions	1,657	1,744	1,719	140	1,104	1,356	(252)	-19%	1,719
Medical Aid Contributions	351	369	341	27	218	430	(212)	-49%	341
Motor Vehicle Allowance	5,334	5,611	5,130	414	3,292	4,380	(1,088)	-25%	5,130
Cellphone Allowance	2,499	2,629	2,804	226	1,798	2,045	(246)	-12%	2,804
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	223	18	143	-	143	-	223
Sub Total - Councillors	24,291	25,554	25,068	1,951	16,011	17,036	(1,025)	-6%	25,068
% increase		5%	3%						3%
Senior Managers of the Municipality									
Basic Salaries and Wages	4,532	5,150	4,304	358	2,868	3,004	(136)	-5%	4,304
Pension and UIF Contributions	245	172	163	14	109	100	8	8%	163
Medical Aid Contributions	102	64	79	7	53	37	16	44%	79
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	760	918	660	55	438	536	(98)	-18%	660
Cellphone Allowance	141	188	161	14	112	110	2	2%	161
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	528	331	445	35	386	317	69	22%	445
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	6,308	6,824	5,813	483	3,966	4,104	(138)	-3%	5,813
% increase		8%	-8%						-8%
Other Municipal Staff									
Basic Salaries and Wages	79,451	91,339	90,220	7,289	59,644	53,281	6,362	12%	90,220
Pension and UIF Contributions	16,141	18,714	17,856	1,476	11,889	10,916	973	9%	17,856
Medical Aid Contributions	4,726	4,761	5,391	482	3,660	2,777	883	32%	5,391
Overtime	2,108	1,948	1,261	317	968	1,136	(168)	-15%	1,261
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	10,043	11,571	11,107	915	7,391	6,750	642	10%	11,107
Cellphone Allowance	1,147	1,171	1,757	147	1,189	683	506	74%	1,757
Housing Allowances	160	437	174	15	117	740	(623)	-84%	174
Other benefits and allowances	8,638	8,329	8,146	120	7,809	7,998	(190)	-2%	8,146
Payments in lieu of leave	1,173	1,951	494	11	398	1,138	(740)	-65%	494
Long service awards	578	486	446	-	308	318	(9)	-3%	446
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	124,165	140,707	136,852	10,772	93,375	85,739	7,636	9%	136,852
% increase		13%	10%						10%
Total Parent Municipality	154,764	173,085	167,733	13,206	113,352	106,879	6,473	6%	167,733
		12%	8%						8%
TOTAL SALARY, ALLOWANCES & BENEFITS	154,764	173,085	167,733	13,206	113,352	106,879	6,473	6%	167,733
% increase		12%	8%						8%
TOTAL MANAGERS AND STAFF	130,473	147,530	142,665	11,256	97,341	89,843	7,498	8%	142,665

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of February 2020 amounts to R113, 352 million and the year to date budget is R106, 879 million and the expenditure for remuneration of councilors amounts to R16, 011 million while the year to date budget is R17, 036 million. The year to date actual expenditure for senior managers is R3, 966 million and the year to date budget thereof is R4, 104 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 R93, 375 million and the year to date budget is R85, 739 million. The remuneration of councilors, senior manager and other municipal staff category has under spending variance, and there is only one vacant position in the senior management level and the position will be filled.

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

Description	Budget Year 2019/20												2019/20 Medium Term Revenue		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Budget	April Budget	May Budget	June Budget	Budget Year	Budget Year +1	Budget Year +2
Cash Receipts By Source															
Property rates	2,340	2,014	2,246	2,012	2,102	1,991	1,807	2,022	1,823	1,823	1,823	(125)	21,878	27,452	28,934
Service charges - electricity revenue	5,598	6,336	6,911	7,093	7,290	7,485	6,902	7,163	6,741	6,741	6,741	12,381	87,380	86,220	90,876
Service charges - water revenue															
Service charges - sanitation revenue															
Service charges - refuse	428	406	338	342	360	327	338	387	335	335	335	88	4,018	4,596	4,844
Rental of facilities and equipment	17	188	59	24	34	43	25	51	59	59	59	87	705	721	760
Interest earned - external investments	425	456	233	41	--	--	--	--	245	245	245	1,054	2,946	3,105	3,272
Interest earned - outstanding debtors	150	133	127	102	52	74	68	63	76	76	76	(82)	915	1,484	1,564
Dividends received	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Fines, penalties and forfeits	--	--	--	--	--	--	--	--	800	800	800	7,201	9,602	10,120	10,667
Licences and permits	475	481	456	521	415	289	450	416	456	456	456	599	5,470	5,766	6,077
Agency services	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Transfer receipts - operating	112,431	2,235	--	--	19,963	69,707	619	411	23,135	23,135	23,135	(2,153)	272,618	291,737	314,255
Other revenue	1,285	1,215	2,271	1,371	1,521	1,458	1,441	1,144	139	139	139	(10,457)	1,664	1,754	1,849
Cash Receipts by Source	123,149	13,464	12,640	11,507	31,737	81,374	11,649	11,658	33,809	33,809	33,809	8,593	407,197	432,954	463,098
Other Cash Flows by Source															
Transfer receipts - capital	30,967	--	--	--	5,000	17,467	--	5,000	6,160	6,160	6,160	(2,993)	73,921	74,234	75,773
Contributions & Contributed assets															
Proceeds on disposal of PPE															
Short term loans															
Borrowing long term/refinancing															
Increase in consumer deposits	56	113	61	(115)	2	7	33	15				(573)	(400)	(350)	(300)
Receipt of non-current debtors			4,651	2,585	2,846	--	12,263	6,021				(28,366)			
Receipt of non-current receivables															
Change in non-current investments															
Total Cash Receipts by Source	154,172	13,577	17,352	13,977	39,585	98,849	23,946	22,694	39,969	39,969	39,969	(23,340)	480,718	506,838	538,571
Cash Payments by Type															
Employee related costs	11,243	11,085	11,107	12,045	11,072	18,328	11,205	11,256	12,609	12,609	12,609	12,363	147,530	157,231	165,564
Remuneration of councillors	1,936	1,903	2,102	2,238	1,951	1,981	1,951	1,951	2,130	2,130	2,130	3,154	25,554	27,266	28,093
Interest paid	255	--	--	731	217	217	--	408	207	207	207	55	2,505	1,141	53
Bulk purchases - Electricity	85	8,918	9,123	7,369	6,053	6,691	6,618	5,616	6,382	6,382	6,382	11,320	80,941	93,406	107,884
Bulk purchases - Water & Sewer	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Other materials	289	598	990	1,306	803	2,443	666	1,257	773	773	773	(1,553)	9,120	9,612	9,831
Contracted services	7,339	3,265	7,503	8,035	5,181	14,370	8,314	2,318	4,990	4,990	4,990	(15,027)	56,268	58,464	61,929
Grants and subsidies paid - other municipalities	--	--	--	--	--	--	--	--	--	--	--	3,740	3,740	3,942	4,155
Grants and subsidies paid - other	217	228	142	209	119	347	246	246	312	312	312	(2,689)			
General expenses	6,799	3,168	4,748	5,317	2,254	5,258	3,357	2,108	4,247	4,247	4,247	(3,195)	42,552	40,284	40,150
Cash Payments by Type	28,163	29,164	35,715	37,250	27,650	49,635	32,357	25,159	31,650	31,650	31,650	8,168	368,211	391,346	417,660
Other Cash Flows/Payments by Type															
Capital assets	1,421	9,187	5,542	12,834	14,910	6,657	10,655	6,384	6,452	6,452	6,452	1,053	88,001	89,158	88,783
Repayment of borrowing	754	763	771	781	790	799	807	818	807	807	807	981	9,686	11,050	2,504
Other Cash Flows/Payments	38,713	6,411	--	9,746	--	12,347	--	--	838	838	838	(59,676)	10,055	13,000	15,000
Total Cash Payments by Type	69,053	45,525	42,028	60,612	43,350	69,438	43,819	32,361	39,747	39,747	39,747	(49,473)	475,953	504,555	523,947
NET INCREASE/(DECREASE) IN CASH HELD	85,119	(31,948)	(24,677)	(46,635)	(3,765)	29,411	(19,874)	(9,667)	222	222	222	26,134	4,764	2,283	14,624
Cash/cash equivalents at the month/year beginning:	24,177	109,296	77,348	52,671	6,036	2,271	31,682	11,809	2,142	2,364	2,585	2,807	24,177	28,941	31,224
Cash/cash equivalents at the month/year end:	109,296	77,348	52,671	6,036	2,271	31,682	11,809	2,142	2,364	2,585	2,807	28,941	28,941	31,224	45,848

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 R22, 694 million and the total cash payment for the month were R32, 361 million and this resulted in net decrease in cash held amounting to R9, 667 million. With cash and cash equivalent of R11, 809 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R2, 142 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2018/19	Budget Year 2019/20							
	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	4,292	9,466	9,424	1,112	1,112	9,424	8,312	88%	1%
August	1,635	3,712	3,576	8,112	9,225	13,000	3,775	29%	10%
September	9,816	14,062	13,926	5,020	14,245	26,926	12,681	47%	15%
October	5,461	8,364	8,822	12,851	27,096	35,748	8,651	24%	28%
November	6,413	8,687	8,687	14,910	42,006	44,434	2,428	5%	44%
December	7,217	9,913	9,913	6,657	48,664	54,348	5,684	10%	51%
January	2,762	8,429	8,221	10,655	59,319	62,569	3,250	5%	62%
February	5,583	4,675	8,162	7,260	66,579	70,731	4,152	6%	70%
March	2,500	10,432	13,753			84,483	-		
April	5,844	4,917	8,363			92,847	-		
May	8,105	5,184	8,671			101,518	-		
June	11,742	7,813	11,573			113,090	-		
Total Capital expenditure	71,370	95,654	113,090	66,579					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of February amounts to R7, 260 million. The year to date actual expenditure incurred is R66, 579 million whilst the year to date budget is R70, 731 million that gives rise to under spending variance of R4, 152 million that translate to 6%.

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

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets by Asset Class									
Infrastructure	47,545	53,043	74,049	5,852	44,548	31,096	(13,452)	-43%	74,049
Roads Infrastructure	34,057	33,521	54,487	4,970	29,944	18,649	(11,295)	-61%	54,487
Roads	34,057	33,521	54,487	4,970	29,944	18,649	(11,295)	-61%	54,487
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Drainage Collection							-		
Electrical Infrastructure	13,487	19,522	19,562	883	14,604	12,447	(2,157)	-17%	19,562
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	13,487	19,522	19,562	883	14,604	12,447	(2,157)	-17%	19,562
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
Waste Processing Facilities							-		
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria							-		
Police							-		
Other assets	4,947	900	-	-	-	733	733	100%	-
Operational Buildings	4,947	900	-	-	-	733	733	100%	-
Municipal Offices	4,947	900	-	-	-	733	733	100%	-
Pay/Enquiry Points							0%		
Building Plan Offices							-		
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Water Rights							-		
Computer Equipment	1,000	500	115	-	15	115	100	87%	115
Computer Equipment	1,000	500	115	-	15	115	100	87%	115
Furniture and Office Equipment	400	400	534	-	526	338	(188)	-56%	534
Furniture and Office Equipment	400	400	534	-	526	338	(188)	-56%	534
Machinery and Equipment	300	2,326	1,870	116	1,091	2,118	1,027	48%	1,870
Machinery and Equipment	300	2,326	1,870	116	1,091	2,118	1,027	48%	1,870
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on new assets	54,192	57,169	76,568	5,968	46,180	34,400	(11,780)	-34%	76,568

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

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class									
Infrastructure	40,944	21,663	20,701	117	8,634	14,498	5,864	40%	20,701
Roads Infrastructure	40,944	21,663	20,701	117	8,634	14,498	5,864	40%	20,701
Roads	40,944	21,663	20,701	117	8,634	14,498	5,864	40%	20,701
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	-	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks							-		
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
Community Assets	522	-	-	-	-	-	-		-
Community Facilities	522	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria	522	-	-	-	-	-	-		-
Police							-		
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices							-		
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Water Rights							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on renewal of existing assets	41,466	21,663	20,701	117	8,634	14,498	5,864	40.4%	20,701

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

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure by Asset Class									
Infrastructure	6,704	6,756	7,683	657	4,138	4,450	311	7%	7,683
Roads Infrastructure	2,000	2,000	2,767	-	161	1,500	1,339	89%	2,767
Roads	2,000	2,000	2,767	-	161	1,500	1,339	89%	2,767
Road Structures							-		
Road Furniture							-		
Capital Spares							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	1,000	1,052	2,052	12	1,605	789	(816)	-103%	2,052
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	1,000	1,052	2,052	12	1,605	789	(816)	-103%	2,052
Solid Waste Infrastructure	3,704	3,704	2,864	646	2,372	2,161	(212)	-10%	2,864
Landfill Sites	3,704	3,704	2,864	646	2,372	2,161	(212)	-10%	2,864
Waste Transfer Stations							-		
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Libraries							-		
Police							-		
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	1,000	1,052	1,752	84	1,496	701	(795)	-113%	1,752
Operational Buildings	1,000	1,052	1,752	84	1,496	701	(795)	-113%	1,752
Municipal Offices	1,000	1,052	1,752	84	1,496	701	(795)	-113%	1,752
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Water Rights							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	1,670	1,757	1,739	188	1,197	1,143	(54)	-5%	1,739
Machinery and Equipment	1,670	1,757	1,739	188	1,197	1,143	(54)	-5%	1,739
Transport Assets	1,000	1,052	2,352	284	1,672	789	(883)	-112%	2,352
Transport Assets	1,000	1,052	2,352	284	1,672	789	(883)	-112%	2,352
Total Repairs and Maintenance Expenditure	10,374	10,617	13,526	1,213	8,504	7,083	(1,421)	-20.1%	13,526

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

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure	34,653	39,133	37,142	-	-	23,486	23,486	100%	37,142
Roads Infrastructure	25,147	29,133	27,141	-	-	19,422	19,422	100%	27,141
Roads	25,147	29,133	27,141			19,422	19,422	100%	27,141
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	3,712	3,905	3,905	-	-	-	-		3,905
Attenuation							-		
Electrical Infrastructure	5,166	5,434	5,434	-	-	3,623	3,623	100%	5,434
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors	5,166	5,434	5,434	-	-	3,623	3,623	100%	5,434
MV Networks							-		
Solid Waste Infrastructure	629	662	662	-	-	441	441	100%	662
Landfill Sites	629	662	662	-	-	441	441	100%	662
Waste Transfer Stations							-		
Community Assets	2,918	3,070	3,070	-	-	2,047	2,047	100%	3,070
Community Facilities	2,918	3,070	3,070	-	-	2,047	2,047	100%	3,070
Libraries							-		
Cemeteries/Crematoria	2,918	3,070	3,070	-	-	2,047	2,047	100%	3,070
Police							-		
Other assets	2,180	2,293	494	-	-	1,529	1,529	0	494
Operational Buildings	2,180	2,293	494	-	-	1,529	1,529	100%	494
Municipal Offices	2,180	2,293	494	-	-	1,529	1,529	100%	494
Workshops							-		
Intangible Assets	378	398	398	-	-	1,225	1,225	100%	398
Servitudes							-		
Licences and Rights	378	398	398	-	-	1,225	1,225	100%	398
Computer Software and Applications	378	398	398			1,225	1,225	100%	398
Computer Equipment	1,518	1,597	1,597	-	-	931	931	100%	1,597
Computer Equipment	1,518	1,597	1,597			931	931	100%	1,597
Furniture and Office Equipment	3,817	4,015	4,015	-	-	2,342	2,342	100%	4,015
Furniture and Office Equipment	3,817	4,015	4,015			2,342	2,342	100%	4,015
Machinery and Equipment	2,175	2,288	2,288	-	-	1,335	1,335	100%	2,288
Machinery and Equipment	2,175	2,288	2,288			1,335	1,335	100%	2,288
Transport Assets	3,542	3,727	3,727	-	-	2,174	2,174	100%	3,727
Transport Assets	3,542	3,727	3,727			2,174	2,174	100%	3,727
Total Depreciation	51,181	56,520	52,729	-	-	35,068	35,068	100%	52,729

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

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	1,600	14,346	14,346	-	8,262	16,079	7,818	49%	14,346
Roads Infrastructure	-	14,346	14,346	-	8,262	16,079	7,818	49%	14,346
Roads		14,346	14,346	-	8,262	16,079	7,818	49%	14,346
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Storm water Conveyance							-		
Attenuation							-		
Electrical Infrastructure	-	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks							-		
Solid Waste Infrastructure	1,600	-	-	-	-	-	-		-
Landfill Sites	1,600	-	-	-	-	-	-		-
Waste Transfer Stations							-		
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria							-		
Police							-		
Other assets	-	2,476	1,476	299	947	2,266	1,319	0	1,476
Operational Buildings	-	2,476	1,476	299	947	2,266	1,319	58%	1,476
Municipal Offices	-	2,476	1,476	299	947	2,266	1,319	58%	1,476
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on upgrading of existing assets	1,600	16,822	15,822	299	9,209	18,345	9,136	50%	15,822

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 R46, 180 million and the year to date budget is R34, 400 million that reflects under spending variance of R11, 780 million that translates to 34% variance.

The year to date actuals on renewal of existing assets amounts R8, 634 million, and with the year to date budget of R14, 498 million and this reflects over spending variance of R5, 864 million that translates to 40.% variance.

The year to date actual expenditure on repairs and maintenance is R8, 504 million and the year to date budget is R7, 083 million, reflecting under spending variance of R1, 421 million that translates to 20%.

The year to date actual expenditure on upgrading of existing assets is R9, 209 million and the year to date budget is R18, 345 million, reflecting under spending variance of R9, 136 million that translates to 50%.

The year to date actual expenditure on depreciation and asset impairment is nil and the year to date budget is R35, 068 million, reflecting spending variance of nil, 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 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 2019/20			
					Original Budget	Adjusted Budget	YTD Actuals	Percentage
Parent municipality:								
Technical Services	Kgapamadi road	Renewal	Infrastructure	Roads Infrastructure	22,816	19,316	8,157	42%
Technical Services	Development of masakaneng-COGHSTA	New	Infrastructure	Roads Infrastructure	–	21,771	13,491	62%
Technical Services	Groblerdsdal Landfill site	Upgrade	Community assets	Waste Management	13,000	13,000	8,262	64%
Technical Services	Electrification of Tambo Village	New	Infrastructure	Electrical Infrastructure	12,266	12,266	9,862	80%
Technical Services	Groblerdsdal Roads and Streets	New	Infrastructure	Roads Infrastructure	8,696	7,068	7,068	100%
Technical Services	Tambo Road Construction	New	Infrastructure	Roads Infrastructure	8,400	11,900	7,460	63%
Technical Services	JJ Zaaiplaas Road	New	Infrastructure	Roads Infrastructure	7,705	10,705	1,566	15%
Technical Services	Electrification of Masakaneng	New	Infrastructure	Electrical Infrastructure	3,864	3,864	3,929	102%
Technical Services	Motetema Internal Streets	New	Infrastructure	Roads Infrastructure	3,478	2,278	497	22%
Technical Services	Development of workshop	New	Other Assets	Operational building	2,476	1,476	947	64%
Technical Services	Culverts, road signs	New	Infrastructure	Roads Infrastructure	1,739	–	–	
Technical Services	Upgrading of Bloompoot to Uitspanning Access Road (Design only)	Renewal	Infrastructure	Roads Infrastructure	1,500	650	–	0%
Technical Services	Upgrading of Dipakapakeng Access Road	Upgrade	Infrastructure	Roads Infrastructure	1,500	650	–	0%
Technical Services	Electrification of Mashemong	New	Infrastructure	Electrical Infrastructure	1,435	1,435	452	31%
Technical Services	Electrification of Ntswelemutse	New	Infrastructure	Electrical Infrastructure	1,435	1,435	361	25%
Technical Services	Upgrading of Tafelkop stadium Access Road	Upgrade	Infrastructure	Roads Infrastructure	696	696	–	0%
Community Services	Lawn mowers and other equipment's	New	Community assets	Machinery and Equipment	522	389	389	100%
Technical Services	Completion of 2 Highmast light in Ward 10	Renewal	Infrastructure	Electrical Infrastructure	522	562	266	47%
Corporate Services	Computer Equipment	New	Computer Equipment	Computer Equipment	500	115	15	13%
Technical Services	Equipment(tools)	New	Equipment	Equipment	500	116	–	0%
Community Services	Mobile Offices Traffic	New	Community assets	Operational building	500	–	–	
Community Services	Tractor, tractor trailer and slasher	New	Community assets	Machinery and Equipment	478	396	–	0%
Corporate Services	Furniture and Office Equipment	New	Furniture and Office Equipment	Furniture and Office Equipment	400	534	526	99%
Technical Services	Air Conditioner	New	Machinery and Equipment	Machinery and Equipment	400	–	–	
Community Services	Twenty skip bins	New	Community assets	Machinery and Equipment	348	345	300	87%
Community Services	Bin lifter (compatible with self-compressed containers)	New	Machinery and Equipment	Machinery and Equipment	348	258	–	0%
Technical Services	Laersdrift Road	New	Infrastructure	Roads Infrastructure	–	1,500	–	0%
Technical Services	Machinery and Equipment	New	Machinery and Equipment	Machinery and Equipment	–	366	28	8%
Community Services	Two trailers	New	Community assets	Equipment	130	116	116	100%

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 February 2020 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 (LM472)

Signature

Date

[Handwritten Signature]
13/03/2020

