

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

MARCH 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 MARCH 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	388,900,693	79%
		-		
OPERATING EXPENDITURE	482,591,369	485,305,414	292,784,025	60%
		-		
TRANSFER - CAPITAL	73,921,000	75,421,443	56,930,626	75%
SURPLUS/(DEFICIT)	92,214,316	103,578,736	165,700,538	160%
CAPITAL EXPENDITURE	95,653,510	113,090,431	72,377,748	64%

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	32,756	34,727	36,658	2,979	26,796	27,165	(369)	-1%	36,658
Service charges	82,962	101,507	102,856	7,928	72,165	75,157	(2,992)	-4%	102,856
Investment revenue	2,133	2,946	3,246	41	1,228	2,010	(783)	-39%	3,246
Transfers and subsidies	245,324	272,618	272,735	67,564	271,545	271,784	(239)	0%	272,735
Other own revenue	73,848	89,087	76,196	1,702	17,166	17,906	(740)	-4%	76,196
Total Revenue (excluding capital transfers and contributio	437,024	500,885	491,692	80,215	388,901	394,022	(5,122)	-1%	491,692
Employee costs	146,968	147,530	142,665	11,213	108,554	108,695	(141)	0%	142,665
Remuneration of Councillors	23,662	25,554	25,068	1,951	17,962	18,464	(502)	-3%	25,068
Depreciation & asset impairment	54,178	56,520	54,830	-	273	-	273		54,830
Finance charges	2,797	2,505	2,505	187	1,768	1,706	62	4%	2,505
Materials and bulk purchases	89,566	94,531	104,798	7,633	69,490	72,013	(2,523)	-4%	104,798
Transfers and subsidies	2,483	3,740	3,340	70	1,824	2,172	(348)	-16%	3,340
Other expenditure	157,463	152,210	152,099	6,427	92,912	92,502	410	0%	152,099
Total Expenditure	477,117	482,591	485,305	27,480	292,784	295,552	(2,768)	-1%	485,305
Surplus/(Deficit)	(40,092)	18,293	6,386	52,734	96,117	98,470	(2,353)	-2%	6,386
Transfers and subsidies - capital (monetary allocations)	70,766	73,921	75,421	11,493	56,931	63,905	(6,975)	-11%	75,421
Contributions & Contributed assets	-	-	21,771	-	12,653	-	12,653		21,771
Surplus/(Deficit) after capital transfers & contributions	30,674	92,214	103,579	64,227	165,701	162,375	3,325	2%	103,579
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	30,674	92,214	103,579	64,227	165,701	162,375	3,325	2%	103,579
Capital expenditure & funds sources									
Capital expenditure	76,437	95,654	113,090	5,799	72,378	73,883	(1,505)	-2%	113,090
Capital transfers recognised	61,021	73,921	97,192	5,601	60,603	62,255	(1,652)	-3%	97,192
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	15,417	21,733	15,898	198	11,775	11,628	147	1%	15,898
Total sources of capital funds	76,437	95,654	113,090	5,799	72,378	73,883	(1,505)	-2%	113,090
Financial position									
Total current assets	106,679	115,014	120,388		173,171				120,388
Total non current assets	1,070,962	1,123,066	1,208,090		1,134,242				1,208,090
Total current liabilities	132,534	81,128	87,970		117,267				87,970
Total non current liabilities	107,621	103,696	103,515		98,557				103,515
Community wealth/Equity	937,486	1,053,256	1,136,993		1,091,588				1,136,993
Cash flows									
Net cash from (used) operating	99,560	102,851	121,326	51,825	74,248	83,344	9,096	11%	121,326
Net cash from (used) investing	(72,765)	(88,001)	(126,231)	(5,799)	(45,024)	(54,203)	(9,179)	17%	(126,231)
Net cash from (used) financing	(8,843)	(10,086)	(15,497)	(858)	(6,968)	(4,448)	2,520	-57%	(15,497)
Cash/cash equivalents at the month/year end	24,177	29,037	10,995	-	47,237	56,089	8,852	16%	4,580
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	12,573	4,935	2,728	2,430	2,332	2,364	16,588	57,778	101,729
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 March is R388, 901 million and the year to date budget of R394, 022 million and this reflects a negative variance of R5, 122 million which is mostly attributable to equitable shares received amounting to R269 009 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 39% unfavorable variance,
- Interest earned – outstanding debtors: 2% unfavorable variance,
- Rental on Facilities and Equipment: 56% unfavorable variance,
- Fines, penalties and forfeits: 8% favorable variance
- Services Charges – electricity revenue: 4% unfavorable variance
- Services Charges – refuse revenue: 4% unfavorable variance
- Licenses and permits: 5% unfavorable variance
- Property rates: 1% unfavorable variance
- Other revenue: 16% favorable

Operating Expenditure

The year to date operational expenditure as at end of March amounts to R292, 784 million and the year to date budget is R295, 552 million. This reflects underspending variance of R2, 768 million that translates to 1% 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% under performance
- Depreciation and asset impairment: 99% under performance variance
- Transfers and subsidies: 16% under performance variance

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 March 2020 amounts to R72, 378 million and the year to date budget amounts to R73, 883 million and this gives rise to R1, 505 million under performance.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month of March is R165, 701 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 March amounts to R101, 729 million and this shows an increase of R21, 620 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 R69, 530 million and other debtors amounting to R32, 199 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 March 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	192,483	214,636	217,729	45,378	209,467	207,242	2,226	1%	217,729
Executive and council	40,562	46,559	46,559	8,565	46,559	46,559	(0)	0%	46,559
Finance and administration	143,989	159,127	162,220	34,789	153,958	151,732	2,226	1%	162,220
Internal audit	7,932	8,950	8,950	2,024	8,950	8,950	(0)	0%	8,950
Community and public safety	71,651	94,968	74,760	6,299	24,235	24,002	232	1%	74,760
Community and social services	11,375	9,026	9,076	3,036	9,032	9,024	8	0%	9,076
Sport and recreation	9,710	12,092	12,092	3,182	12,104	12,086	18	0%	12,092
Public safety	50,566	73,850	53,592	82	3,099	2,893	206	7%	53,592
Economic and environmental services	116,607	117,004	141,587	25,005	112,657	107,128	5,529	5%	141,587
Planning and development	13,036	21,564	21,339	6,759	21,011	20,963	48	0%	21,339
Road transport	102,541	94,287	118,977	17,856	90,493	84,895	5,598	7%	118,977
Environmental protection	1,030	1,153	1,270	390	1,153	1,270	(117)	-9%	1,270
Trading services	127,049	148,197	154,808	15,025	112,126	119,555	(7,429)	-6%	154,808
Energy sources	106,327	119,623	126,235	8,664	86,108	93,176	(7,068)	-8%	126,235
Waste management	20,722	28,574	28,574	6,361	26,018	26,380	(361)	-1%	28,574
Total Revenue - Functional	507,790	574,806	588,884	91,707	458,485	457,927	557	0%	588,884
Expenditure - Functional									
Governance and administration	210,937	191,835	209,573	11,617	153,706	152,709	998	1%	209,573
Executive and council	44,433	41,658	50,599	4,045	40,232	39,862	370	1%	50,599
Finance and administration	158,816	141,488	152,110	7,446	107,542	106,452	1,090	1%	152,110
Internal audit	7,688	8,689	6,864	126	5,933	6,395	(462)	-7%	6,864
Community and public safety	69,179	76,535	59,454	1,969	19,758	19,919	(161)	-1%	59,454
Community and social services	4,988	7,457	5,582	448	3,896	3,948	(52)	-1%	5,582
Sport and recreation	6,003	11,037	8,951	420	4,271	4,399	(128)	-3%	8,951
Public safety	58,188	58,041	44,921	1,102	11,591	11,572	19	0%	44,921
Economic and environmental services	88,411	87,675	84,795	3,554	36,127	38,752	(2,625)	-7%	84,795
Planning and development	13,453	17,147	19,388	1,324	11,488	13,157	(1,669)	-13%	19,388
Road transport	74,310	69,685	64,766	2,185	24,176	25,131	(954)	-4%	64,766
Environmental protection	648	843	641	45	463	464	(1)	0%	641
Trading services	108,589	126,546	131,483	10,340	83,193	84,173	(980)	-1%	131,483
Energy sources	81,381	99,370	104,456	7,655	63,027	64,228	(1,201)	-2%	104,456
Waste management	27,208	27,177	27,027	2,685	20,166	19,945	221	1%	27,027
Total Expenditure - Functional	477,117	482,591	485,305	27,480	292,784	295,552	(2,768)	-1%	485,305
Surplus/ (Deficit) for the year	30,674	92,214	103,579	64,227	165,701	162,375	3,325	2%	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	35,733	46,559	41,231	6,929	41,231	41,231	(0)	0%	41,231
Vote 2 - Municipal Manager	24,626	35,643	35,643	8,877	35,643	35,643	(0)	0%	35,643
Vote 3 - Budget & Treasury	64,175	64,188	67,281	11,225	58,829	56,745	2,084	4%	67,281
Vote 4 - Corporate Services	43,715	40,227	40,227	9,622	40,417	40,275	142	0%	40,227
Vote 5 - Community Services	105,498	132,693	113,239	13,427	55,292	58,249	(2,957)	-5%	113,239
Vote 6 - Technical Services	211,009	227,629	258,293	31,479	194,431	193,190	1,241	1%	258,293
Vote 7 - Developmental Planning	7,022	14,966	14,741	4,530	14,413	14,365	48	0%	14,741
Vote 8 - Executive Support	16,013	18,229	18,229	5,617	18,229	18,229	(0)	0%	18,229
Total Revenue by Vote	507,790	580,134	588,884	91,707	458,485	457,927	557	0%	588,884
Expenditure by Vote									
Vote 1 - Executive & Council	37,443	36,873	42,579	3,764	33,673	33,352	321	1%	42,579
Vote 2 - Municipal Manager	46,078	35,065	42,688	1,648	39,064	39,696	(632)	-2%	42,688
Vote 3 - Budget & Treasury	64,915	52,917	56,083	2,607	41,870	39,028	2,842	7%	56,083
Vote 4 - Corporate Services	27,310	36,814	30,859	1,485	15,804	17,389	(1,585)	-9%	30,859
Vote 5 - Community Services	103,847	112,427	94,391	5,444	45,854	45,623	231	1%	94,391
Vote 6 - Technical Services	171,711	181,124	185,231	10,229	94,552	96,932	(2,381)	-2%	185,231
Vote 7 - Developmental Planning	7,632	13,185	12,998	872	6,774	8,283	(1,509)	-18%	12,998
Vote 8 - Executive Support	18,180	15,088	19,749	1,431	15,194	15,249	(55)	0%	19,749
Total Expenditure by Vote	477,117	483,492	484,577	27,480	292,784	295,552	(2,768)	-1%	484,577
Surplus/ (Deficit) for the year	30,674	96,642	104,307	64,227	165,701	162,375	3,325	2%	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	32,756	34,727	36,658	2,979	26,796	27,165	(369)	-1%	36,658
Service charges - electricity revenue	75,108	92,957	94,306	7,223	65,847	68,607	(2,760)	-4%	94,306
Service charges - refuse revenue	7,854	8,550	8,550	706	6,318	6,550	(232)	-4%	8,550
Rental of facilities and equipment	1,644	1,052	2,033	49	562	1,275	(713)	-56%	2,033
Interest earned - external investments	2,133	2,946	3,246	41	1,228	2,010	(783)	-39%	3,246
Interest earned - outstanding debtors	9,183	7,040	12,303	1,055	8,710	8,879	(170)	-2%	12,303
Fines, penalties and forfeits	56,635	73,860	53,638	82	3,145	2,922	223	8%	53,638
Licences and permits	4,707	5,470	6,070	377	3,843	4,046	(203)	-5%	6,070
Transfers and subsidies	245,324	272,618	272,735	67,564	271,545	271,784	(239)	0%	272,735
Other revenue	1,680	1,664	1,290	140	906	784	123	16%	1,290
Gains on disposal of PPE		-	862	-	-	-	-		862
Total Revenue (excluding capital transfers and contributions)	437,024	500,885	491,692	80,215	388,901	394,022	(5,122)	-1%	491,692
Expenditure By Type									
Employee related costs	146,968	147,530	142,665	11,213	108,554	108,695	(141)	0%	142,665
Remuneration of councillors	23,662	25,554	25,068	1,951	17,962	18,464	(502)	-3%	25,068
Debt impairment	47,752	57,860	43,505	-	-	-	-		43,505
Depreciation & asset impairment	54,178	56,520	54,830	-	273	28,898	273	-99%	54,830
Finance charges	2,797	2,505	2,505	187	1,768	1,706	62	4%	2,505
Bulk purchases	73,727	80,941	87,000	7,222	57,696	58,715	(1,019)	-2%	87,000
Other materials	15,839	13,590	17,798	411	11,794	13,298	(1,504)	-11%	17,798
Contracted services	67,496	53,788	65,807	3,328	64,397	62,182	2,216	4%	65,807
Transfers and subsidies	2,483	3,740	3,340	70	1,824	2,172	(348)	-16%	3,340
Other expenditure	42,216	40,562	42,787	3,099	28,514	30,320	(1,806)	-6%	42,787
Loss on disposal of PPE	-	(0)	-	-	-	-	-		-
Total Expenditure	477,117	482,591	485,305	27,480	292,784	295,552	(2,768)	-1%	485,305
Surplus/(Deficit)	(40,092)	18,293	6,386	52,734	96,117	98,470	(2,353)	-2%	6,386
Transfers and subsidies - capital (monetary allocations)	70,766	73,921	75,421	11,493	56,931	63,905	(6,975)	-11%	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	30,674	92,214	103,579	64,227	165,701	162,375			103,579
Taxation									
Surplus/(Deficit) after taxation	30,674	92,214	103,579	64,227	165,701	162,375			103,579
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	30,674	92,214	103,579	64,227	165,701	162,375			103,579
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	30,674	92,214	103,579	64,227	165,701	162,375			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

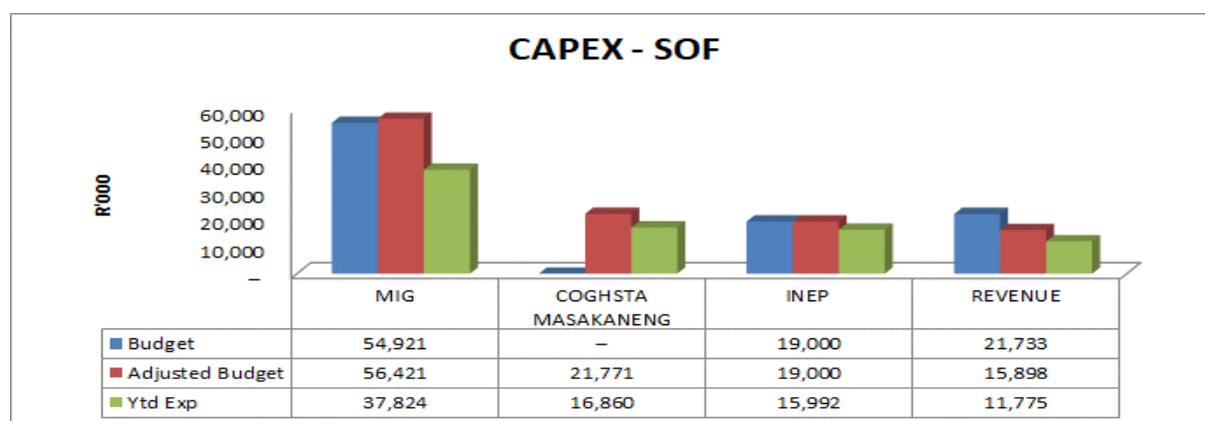
Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	2,200	1,800	1,015	-	569	769	(200)	-26%	1,015
Executive and council							-		
Finance and administration	2,200	1,800	1,015	-	569	769	(200)	-26%	1,015
Internal audit							-		
Community and public safety	522	500	-	-	-	-	-		-
Community and social services	522	500	-	-	-	-	-		-
Sport and recreation							-		
Public safety							-		
Housing							-		
Health							-		
Economic and environmental services	58,640	72,006	91,010	5,747	55,683	55,216	467	1%	91,010
Planning and development							-		
Road transport	58,640	72,006	91,010	5,747	55,683	55,216	467	1%	91,010
Environmental protection							-		
Trading services	15,075	21,348	21,066	52	16,126	17,898	(1,772)	-10%	21,066
Energy sources	13,475	19,522	19,562	52	15,063	16,836	(1,773)	-11%	19,562
Waste management	1,600	1,826	1,504	0	1,063	1,062	1	0%	1,504
Other							-		
Total Capital Expenditure - Functional Classification	76,437	95,654	113,090	5,799	72,378	73,883	(1,505)	-2%	113,090
Funded by:									
National Government	61,021	73,921	75,421	5,601	47,112	48,252	(1,140)	-2%	75,421
Provincial Government		-	21,771	-	13,491	14,003	(512)	-4%	21,771
District Municipality							-		
Other transfers and grants							-		
Transfers recognised - capital	61,021	73,921	97,192	5,601	60,603	62,255	(1,652)	-3%	97,192
Borrowing							-		
Internally generated funds	15,417	21,733	15,898	198	11,775	11,628	147	1%	15,898
Total Capital Funding	76,437	95,654	113,090	5,799	72,378	73,883	(1,505)	-2%	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	23,825	50,583	50,816	4,237	36,098	38,250	(2,152)	-6%	50,816
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	26,825	50,583	50,816	4,237	36,098	38,250	(2,152)	-6%	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	769	(200)	-26%	1,015
Vote 5 - Community Services	522	1,826	1,504	0	1,063	1,062	1	0%	1,504
Vote 6 - Technical Services	48,291	40,945	59,756	1,562	34,648	33,802	845	3%	59,756
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	49,613	45,071	62,275	1,562	36,280	35,633	646	2%	62,275
Total Capital Expenditure	76,437	95,654	113,090	5,799	72,378	73,883	(1,505)	-2%	113,090

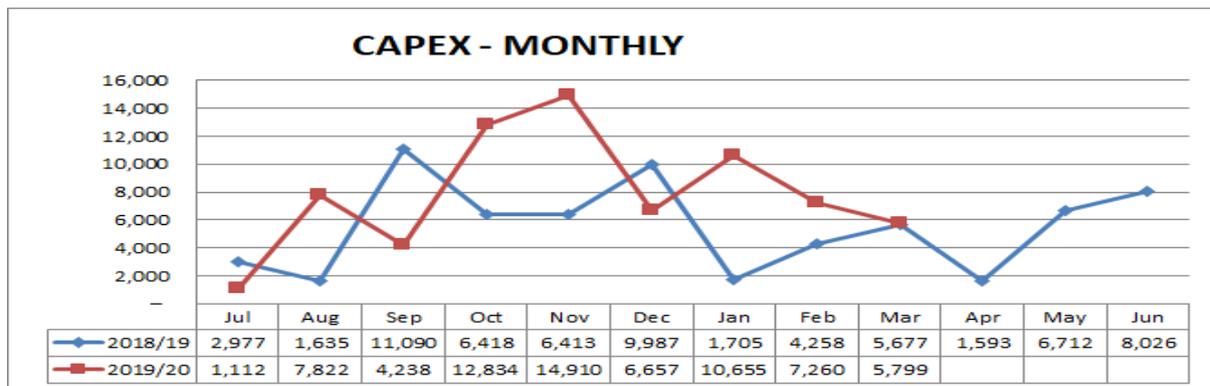
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of March 2020, R5, 799 million spending is incurred and that increased the year to date expenditure to R72, 378 million whilst the year to date budget is R73, 883 million and this gave rise to under spending variance of R1, 505 million that translates to 2%.

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	24,177	4,882	16,697	12,197	16,697
Call investment deposits	–	24,155	–	35,041	–
Consumer debtors	21,334	41,950	49,631	57,893	49,631
Other debtors	54,923	40,727	49,052	59,949	49,052
Current portion of long-term receivables	–	–	–	–	–
Inventory	6,245	3,300	5,009	8,092	5,009
Total current assets	106,679	115,014	120,388	173,171	120,388
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	13,539	–	13,539	774	13,539
Investment property	58,240	53,739	58,240	58,240	58,240
Investments in Associate	–	–	–	–	–
Property, plant and equipment	998,680	1,055,765	1,135,808	1,074,452	1,135,808
Biological	–	–	–	–	–
Intangible	39	85	39	39	39
Other non-current assets	463	13,476	463	736	463
Total non current assets	1,070,962	1,123,066	1,208,090	1,134,242	1,208,090
TOTAL ASSETS	1,177,641	1,238,080	1,328,478	1,307,412	1,328,478
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	9,624	9,686	11,542	7,769	11,542
Consumer deposits	5,383	4,860	5,430	5,527	5,430
Trade and other payables	113,571	60,924	64,491	92,612	64,491
Provisions	3,955	5,658	6,508	11,358	6,508
Total current liabilities	132,534	81,128	87,970	117,267	87,970
Non current liabilities					
Borrowing	13,469	13,554	13,469	13,469	13,469
Provisions	94,152	90,142	90,046	85,088	90,046
Total non current liabilities	107,621	103,696	103,515	98,557	103,515
TOTAL LIABILITIES	240,155	184,824	191,485	215,824	191,485
NET ASSETS	937,486	1,053,256	1,136,993	1,091,588	1,136,993
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	937,486	1,053,256	1,136,993	1,091,588	1,136,993
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	937,486	1,053,256	1,136,993	1,091,588	1,136,993

The above table shows that community wealth amounts to R1, 091 billion, total liabilities R215, 824 million and the total assets R1, 307 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 1.5:1 that is slightly above the acceptable norm of 2:1. The municipality still needs to keep the current liabilities low and increase the current assets to strengthen the liquidity ratio.

Table C7: Monthly Budget Statement Cash Flow

Description	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	28,779	21,878	20,958	2,055	18,589	17,364	1,225	7%	20,958
Service charges	77,686	91,398	101,547	7,664	65,367	45,195	20,172	45%	101,547
Other revenue	14,066	17,441	15,467	1,839	17,490	23,865	(6,375)	-27%	15,467
Government - operating	240,283	272,618	272,735	67,252	272,618	181,465	91,153	50%	272,735
Government - capital	97,537	73,921	75,421	15,477	73,911	64,400	9,511	15%	75,421
Interest	2,966	3,861	15,548	114	2,037	3,833	(1,795)	-47%	15,548
Payments									
Suppliers and employees	(356,478)	(372,021)	(374,506)	(42,391)	(371,903)	(249,735)	122,168	-49%	(374,506)
Finance charges	(2,797)	(2,505)	(2,505)	(114)	(2,037)	(1,253)	785	-63%	(2,505)
Transfers and Grants	(2,483)	(3,740)	(3,340)	(70)	(1,824)	(1,790)	34	-2%	(3,340)
NET CASH FROM/(USED) OPERATING ACTIVITIES	99,560	102,851	121,326	51,825	74,248	83,344	9,096	11%	121,326
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	2,839	-	862	-	-	-	-	-	862
Decrease (Increase) in non-current debtors	-	-	-	-	28,366	-	28,366	-	-
Decrease (increase) other non-current receivables	833	-	(463)	-	-	-	-	-	(463)
Decrease (increase) in non-current investments	-	-	(13,539)	-	-	-	-	-	(13,539)
Payments									
Capital assets	(76,437)	(88,001)	(113,090)	(5,799)	(73,391)	(54,203)	19,188	-35%	(113,090)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(72,765)	(88,001)	(126,231)	(5,799)	(45,024)	(54,203)	(9,179)	17%	(126,231)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	1,542	-	-	-	-	-	1,542
Increase (decrease) in consumer deposits	-	(400)	170	(31)	142	(916)	1,057	-115%	170
Payments									
Repayment of borrowing	(8,843)	(9,686)	(17,208)	(826)	(7,109)	(3,533)	3,577	-101%	(17,208)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(8,843)	(10,086)	(15,497)	(858)	(6,968)	(4,448)	2,520	-57%	(15,497)
NET INCREASE/ (DECREASE) IN CASH HELD	17,952	4,764	(20,402)	45,169	22,255	24,692			(20,402)
Cash/cash equivalents at beginning:	6,225	24,273	31,396		24,982	31,396			24,982
Cash/cash equivalents at month/year end:	24,177	29,037	10,995		47,237	56,089			4,580

Table C7 presents details pertaining to cash flow performance. As at end of March 2020, the net cash inflow from operating activities is R74, 248 million whilst net cash outflow from investing activities is R45, 024 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R6, 968 million. The cash and cash equivalent held at end of March 2020 amounted to R47, 237 million and the net effect of the above cash flows is cash inflow movement of R22, 255 million. The cash and cash equivalent at end of the reporting period of R47, 237 million, is mainly made up of cash in the primary bank account amounting to R12, 197 million and a short-term investment amounting to R35, 041 million.

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	-1%	The projected monthly revenue appear to be high in light of the actual revenue performance	No remedial action is needed as the adjustment budget has been passed
Service charges - electricity revenue	-4%	The projected monthly revenue appear to be higher in light of the actual revenue performance	No remedial action is needed
Service charges - refuse revenue	-4%	The actual revenue generated is less than the projected monthly revenue	No remedial action is needed
Rental of facilities and equipment	-56%	The actual revenue generated is too lower than the projected monthly revenue and the majority of the rented assets are not at arm's length transactions	The rental amount should be market related
Interest earned - external investments	-39%	The projected interest to be realised was overprojected	The municipality should invest so that the investment will correspond with the projections.
Interest earned - outstanding debtors	-2%	The projected interest to be realised was overprojected	Customers should be encourage to pay off their debts quickly.
Fines, penalties and forfeits	8%	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	-5%	The actual revenue generated in less than the projected monthly revenue	No remedial action is needed.
Transfers and subsidies	0%	The first tranche of equitable share was higher than the projection thereof	No remedial action is needed as all budgeted grants have been gazetted
Other revenue	16%	The actual revenue generated is more than the projected monthly revenue	No remedial action is needed.
Expenditure By Type			
Employee related costs	0%	The actual expenditure incurred on employee related costs is less than the projected monthly expenditure	The budget will be adjusted downwards in the main adjustment budget
Remuneration of councillors	-3%	The actual expenditure incurred on remuneration of councillors is less than the projected monthly expenditure	No remedial action is needed.
Depreciation & asset impairment	-99%	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	4%	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	-2%	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 discrepancy is caused by non spending on repairs and maintenance and the major portion of other materials comes from this account	The departments with repairs and maintenance to accelerate spending thereof
Contracted services	4%	The actual expenditure incurred is more than the projected monthly expenditure	No remedial action is needed.
Transfers and subsidies	-16%	The actual expenditure incurred was less than the projected monthly expenditure	No remedial action is needed.
Other expenditure	-6%	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	-3%	The spending on grants funded capital projects are in line with the projected expenditure thereof	No remedial action is needed
Internally generated funds	1%	The spending on internally generated funded capital projects are in line with the projected expenditure thereof	No remedial action is needed
Cash Flow			
Property rates	7%	The actual collection rate on property rates is higher than the projected rate	The municipality should continue to encourage customers to pay their accounts on time.
Service charges	45%	The collection rate on service charges is above the projected rate	No remedial action is needed
Other revenue	-27%	The collection rate on tender documents (grants funded) for 2019/20 are not selling as projected	This need to be looked into
Government - operating	50%	All grants have been received to this date and the projections are not in line with payment schedule.	No remedial action is needed as all budgeted grants have been gazetted
Interest	-47%	Interest on on other revenue isn't as projected due to the under collection from other debtors	Finance department to strengthen the credit control measures in ensuring improved collection rate on other revenue
Suppliers and employees	-49%	The actual costs incurred is below the projected costs	No remedial action is needed
Finance charges	-63%	The actual costs incurred on finance charges is above the collection thereof	No remedial action is needed
Capital assets	-35%	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	-115%	Consumer deposits were significantly higher than the projection thereof	No remedial action is needed
Repayment of borrowing	-101%	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											
	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	Impairment - Bad Debts
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	7,111	1,724	121	67	64	57	321	2,897	12,361	3,406		
Receivables from Non-exchange Transactions - Property Rates	2,994	1,434	1,167	1,060	1,039	1,011	8,797	25,150	42,652	37,057		
Receivables from Exchange Transactions - Waste Water Management	–	–	–	–	–	–	–	–	–	–		
Receivables from Exchange Transactions - Waste Management	729	480	380	368	366	364	2,160	8,549	13,397	11,808		
Receivables from Exchange Transactions - Property Rental Debtors	48	13	9	8	8	8	148	878	1,120	1,050		
Interest on Arrear Debtor Accounts	1,091	1,050	1,011	977	948	919	4,942	19,773	30,711	27,559		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–	–		
Other	599	235	41	(50)	(93)	5	221	531	1,488	614		
Total By Income Source	12,573	4,935	2,728	2,430	2,332	2,364	16,588	57,778	101,729	81,494	–	–
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	1,547	1,100	582	557	521	531	3,594	12,655	21,086	17,858		
Commercial	6,529	1,335	465	346	286	318	1,969	8,187	19,436	11,106		
Households	3,616	1,821	1,149	1,005	1,015	1,012	6,242	23,760	39,620	33,034		
Other	881	679	532	522	510	504	4,783	13,177	21,587	19,496		
Total By Customer Group	12,573	4,935	2,728	2,430	2,332	2,364	16,588	57,778	101,729	81,494	–	–

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of March amount to R101, 729 million. The debtors' book is made up as follows:

- Rates 42%
- Electricity 12%
- Rental 1%
- Refuse removal 13%
- Interest on Debtors 30%
- Other 1%

The debtors' age analysis is graphically presented below.

Figure 3: Debtors age analysis

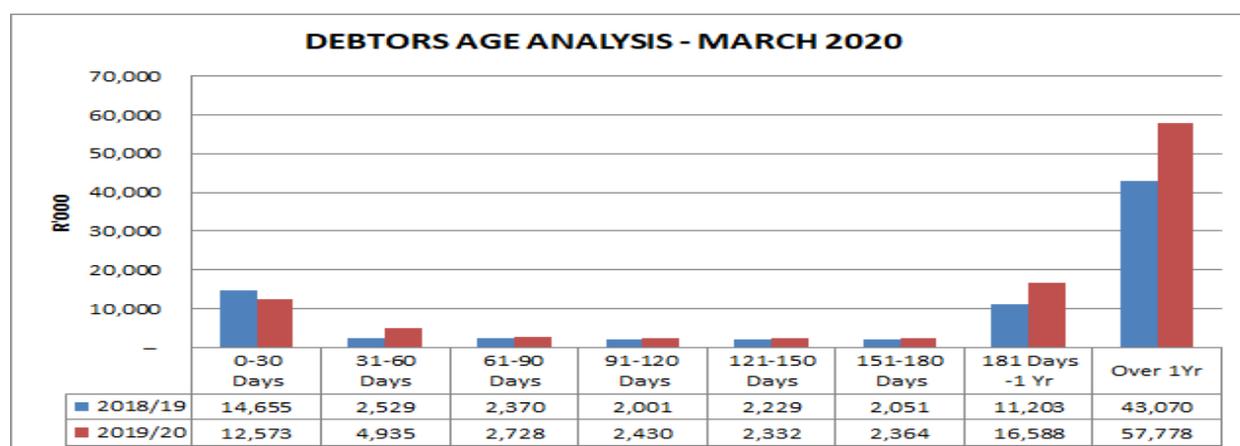
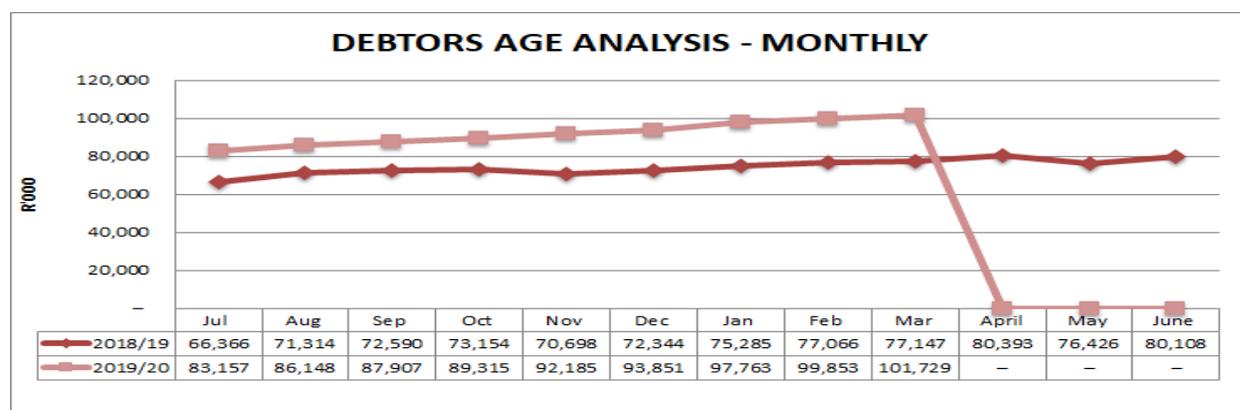


Figure 4: Monthly debtors book



The initial graph compares debtors' age analysis for 2018/19 financial year and 2019/20 (as at end of March 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	1,786,375.30
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	982,169.87
1501364	JAN JOUBERT TR (JO JO TANKS)	ACTIVE	OWNER	439,753.24
9000276	DEPARTMENT OF PUBLIC WORKS-PROVINCIAL	ACTIVE	OWNER	431,954.60
6000908	DEPARTMENT OF EDUCATION	ACTIVE	OWNER	347,588.83
211693	BOXER SUPERSTORE'ATT KERSHNEE	ACTIVE	OCCUPIER	346,893.53
2000270	PROVINSIALE HOSPITAAL	ACTIVE	OCCUPIER	343,619.01
9900067	WATER PURIFICATION PLANT (SDM)	ACTIVE	OCCUPIER	301,771.49
5001708	UNITRADE 518 (PTY) LTD	ACTIVE	OWNER	277,028.15
9002065	GOVERNMENT OF KWANDEBELE	ACTIVE	OWNER	275,763.14
2913	SHOPRITE/CHECKERS	ACTIVE	OCCUPIER	274,491.39
800000478	DAYBREAK PROP 3 PTY LTD	ACTIVE	OWNER	253,279.61
2200702	NAMIB FAMILY TRUST	ACTIVE	OWNER	248,238.21
9002958	PROVINCIAL GOVERNMENT OF LIMPO	ACTIVE	OWNER	236,334.69
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	OWNER	232,631.53
5617	GROBLERSDAL VLEISMARK PTY LTD	ACTIVE	OWNER	225,667.47
9053280	LIMPOPO GOVERNMENT PROV(BEN VILJOEN)	ACTIVE	OWNER	222,726.82
201885	SHOPRITE CHECKERS (PTY) LTD	ACTIVE	OCCUPIER	217,362.28
5002109	VAN AARD FJ(MAPOCHH	ACTIVE	OCCUPIER	205,518.19
9000400	UITZOECHT LANDGOED CC	ACTIVE	OWNER	204,475.49
TOTAL				7,853,642.84

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
1	ESKOM	7,937,448.69
488	SIHLE CIVIL	925,455.09
81001	JUST-BREEZE JV TLOU YA HLAKA	625,000.00
81000	KHUMALO MASONDO ATTORNEYS	579,425.29
80889	FLEET HORIZON SOLUTIONS	549,014.33
80992	PMH IT MANAGEMENT & SERVICES	515,257.09
490	RCA & COMPANY	497,423.45
81002	SELEMA PLANT HIRE	466,025.60
80991	MOK DEVELOPMENT CONSULTANT	300,000.01
80993	TALENT EMPOWERIUM ACADEMY	266,570.00
80999	MHOFU TELECOMMUNICATION	261,323.70
80956	MAKITLA SOLUTION	185,600.00
80984	GUBIS 85 SOLUTION	170,524.19
41090	TOKOLLO INVESTMENTS	170,000.00
80985	AFRITEC CONSULTING ENGINEERS	167,250.66
7989	MUNSOFT (PTY) LTD	134,866.03
41095	REAKGONA TRAVEL SERVICES	124,946.25
80988	csc chartered accountants	115,000.00
41027	KDM TRAVEL EXPRESS	110,647.48
10	SAGE VIP (PTY) LTD	109,385.70
TOTAL		14,211,163.56

The above table presents the top creditors paid during the month of March 2020 and an amount of R14, 211 million were paid to these creditors within 30 days.

Supporting Table: SC 5 - Investment Portfolio

Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate ³	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
Municipality									
Nedbank 03/7881068264/000057	1 Month	Current Investment	6.06%	25-Mar-20	35,000,000	40,677	-	-	35,040,677
TOTAL INVESTMENTS AND INTEREST					35,000,000		-	-	35,040,677

Supporting table SC5 presents all investment movements, and it indicates that the municipality had opening investment amount of R35, 000 million, interest earned amounts to R40, 677 thousands and closing balance amounts to R34, 040 million at the end of March.

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:	245,283	272,618	272,618	67,252	272,618	272,510	108	0%	272,618
Local Government Equitable Share	237,511	269,009	269,009	67,252	269,009	269,126	(117)	0%	269,009
Finance Management	1,770	2,235	2,235	-	2,235	2,235	-		2,235
EPWP Incentive	1,002	1,374	1,374	-	1,374	1,149	225	20%	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	245,283	272,618	272,618	67,252	272,618	272,510	108	0%	272,618
Capital Transfers and Grants									
National Government:	72,279	73,921	73,921	15,477	73,921	66,336	7,585	11%	73,921
Municipal Infrastructure Grant (MIG)	62,270	54,921	54,921	15,477	54,921	49,500	5,421	11%	54,921
Integrated National Electrification Grant	10,009	19,000	19,000	-	19,000	16,836	2,164	13%	19,000
Provincial Government:	21,771	-	21,771	-	21,771	4,256	17,515	411%	21,771
Coghsta - Development	21,771	-	21,771	-	21,771	4,256	17,515	411%	21,771
District Municipality:	-	-	-	-	-	-	-		-
N/A							-		
Other grant providers:	-	-	-	-	-	-	-		-
N/A							-		
Total Capital Transfers and Grants	94,050	73,921	95,692	15,477	95,692	70,593	25,099	36%	95,692
TOTAL RECEIPTS OF TRANSFERS & GRANTS	339,333	346,539	368,310	82,729	368,310	343,102	25,208	7%	368,310

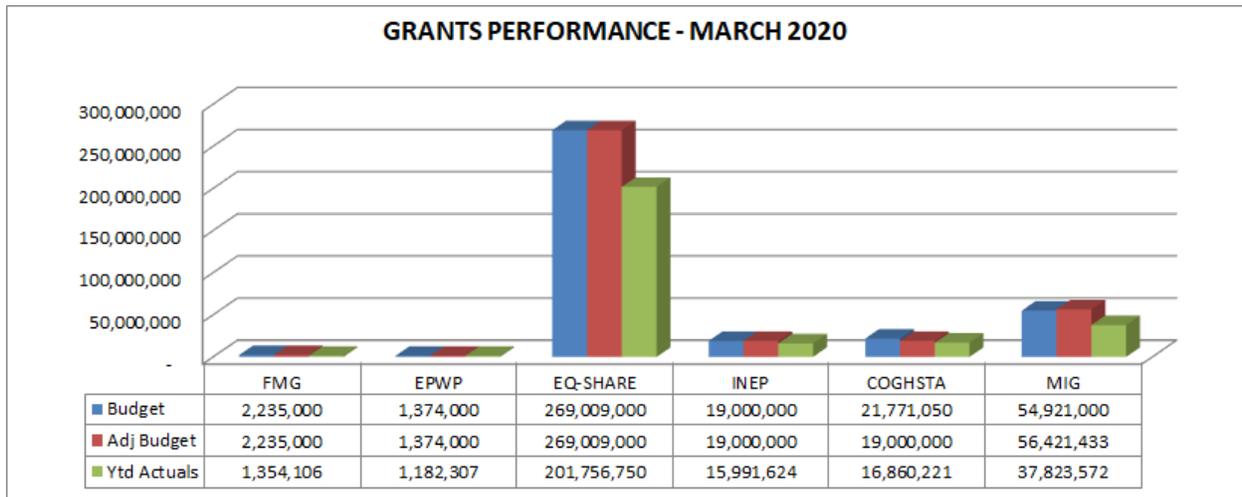
Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R368, 310 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R269 009 million; Integrated National Electrification Programme amounting to R19 000 million; Municipal Infrastructure Grant amounting to R54 921 millio; Expanded Public Works Programme R1, 374 million and Financial Management Grant amounting to R2, 235 million were received. The Municipality received grant late last financial year from COGHSTA for the Development of Masakaneng amounting to R21, 771 million, which is rolled forward this financial year. 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:	245,283	272,618	272,618	22,730	204,293	272,510	(68,217)	-25%	272,618
Local Government Equitable Share	237,511	269,009	269,009	22,417	201,757	269,126	(67,370)	-25%	269,009
Finance Management	1,770	2,235	2,235	177	1,354	2,235	(881)	-39%	2,235
EPWP Incentive	1,002	1,374	1,374	136	1,182	1,149	34	3%	1,374
Energy Efficiency and Demand Management	5,000	-	-		-	-	-		-
Provincial Government:	-	-	-	-	-	-	-		-
N/A							-		
District Municipality:	-	-	-	-	-	-	-		-
N/A							-		
Other grant providers:	-	-	-	-	-	-	-		-
N/A							-		
Total operating expenditure of Transfers and Grants:	245,283	272,618	272,618	22,730	204,293	272,510	(68,217)	-25%	272,618
Capital expenditure of Transfers and Grants									
National Government:	72,279	73,921	73,921	8,377	53,815	66,336	(12,521)	-19%	73,921
Municipal Infrastructure Grant (MIG)	62,270	54,921	54,921	8,377	37,824	49,500	(11,676)	-24%	54,921
Integrated National Electrification Grant	10,009	19,000	19,000	-	15,992	16,836	(844)	-5%	19,000
Provincial Government:	21,771	21,771	21,771	4,207	16,860	4,256	12,604	296%	21,771
Coghsta - Development	21,771	21,771	21,771	4,207	16,860	4,256	12,604	296%	21,771
District Municipality:	-	-	-	-	-	-	-		-
N/A							-		
Other grant providers:	-	-	-	-	-	-	-		-
N/A							-		
Total capital expenditure of Transfers and Grants	94,050	95,692	95,692	12,584	70,675	70,593	83	0%	95,692
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	339,333	368,310	368,310	35,314	274,969	343,102	(68,134)	-20%	368,310

An amount of R35, 314 million has been spent on grants during the month of March 2020 and the year to date actuals is R274, 969 million whilst the year to date budget amounts to R343, 102 million and this results in underspending variance of R68, 134 million that translates to negative 20%. Of the total spending amounting to R35, 314 million, R22, 730 million is spent on operational grants whilst R12, 584 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 March 2020. The grants expenditure are shown below in percentages:

- Financial Management Grant 60.59%
- Expanded Public Work Programme 86.05%
- Equitable Share 75.00%
- Integrated National Electrification Grant 84.17%
- COGHSTA – Masakaneng Development 77.44%
- Municipal Infrastructure Grant 68.87%

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	340	961	539	36%
Municipal Infrastructure Grant (MIG)	1,500	340	961	539	36%
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	340	961	539	36%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	1,500	340	961	539	36%

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, the year to date spending is R961 thousands and the year to date budget is R539 thousands.

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	13,395	15,201	14,851	1,128	10,584	10,938	(354)	-3%	14,851
Pension and UIF Contributions	1,605	1,744	1,719	138	1,242	1,266	(24)	-2%	1,719
Medical Aid Contributions	368	369	341	27	245	251	(7)	-3%	341
Motor Vehicle Allowance	5,145	5,611	5,130	414	3,706	3,779	(73)	-2%	5,130
Cellphone Allowance	2,708	2,629	2,804	226	2,024	2,065	(41)	-2%	2,804
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	223	18	161	165	(3)	-2%	223
Sub Total - Councillors	23,222	25,554	25,068	1,951	17,962	18,464	(502)	-3%	25,068
% increase		10%	8%						8%
Senior Managers of the Municipality									
Basic Salaries and Wages	3,421	5,150	4,304	466	3,334	3,228	106	3%	4,304
Pension and UIF Contributions	100	172	163	17	126	122	4	3%	163
Medical Aid Contributions	102	64	79	7	61	60	1	2%	79
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	403	918	660	56	494	494	(0)	0%	660
Cellphone Allowance	108	188	161	14	126	122	4	3%	161
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	378	331	445	24	411	388	22	6%	445
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	4,512	6,824	5,813	584	4,551	4,414	136	3%	5,813
% increase		51%	29%						29%
Other Municipal Staff									
Basic Salaries and Wages	84,473	91,339	90,220	7,303	66,947	67,501	(554)	-1%	90,220
Pension and UIF Contributions	16,792	18,714	17,856	1,477	13,366	13,383	(18)	0%	17,856
Medical Aid Contributions	5,303	4,761	5,391	491	4,151	4,063	88	2%	5,391
Overtime	2,166	1,948	1,261	102	1,070	894	177	20%	1,261
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	10,390	11,571	11,107	915	8,307	8,329	(22)	0%	11,107
Cellphone Allowance	1,437	1,171	1,757	149	1,338	1,319	19	1%	1,757
Housing Allowances	171	437	174	15	133	125	8	6%	174
Other benefits and allowances	7,859	8,329	8,146	136	7,944	7,874	70	1%	8,146
Payments in lieu of leave	5,981	1,951	494	5	403	430	(27)	-6%	494
Long service awards	1,020	486	446	36	345	363	(19)	-5%	446
Post-retirement benefit obligations	3,523	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	139,115	140,707	136,852	10,629	104,004	104,281	(278)	0%	136,852
% increase		1%	-2%						-2%
Total Parent Municipality	166,850	173,085	167,733	13,164	126,516	127,159	(643)	-1%	167,733
		4%	1%						1%
TOTAL SALARY, ALLOWANCES & BENEFITS	166,850	173,085	167,733	13,164	126,516	127,159	(643)	-1%	167,733
% increase		4%	1%						1%
TOTAL MANAGERS AND STAFF	143,628	147,530	142,665	11,213	108,554	108,695	(141)	0%	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 March 2020 amounts to R126, 516 million and the year to date budget is R127, 159 million and the expenditure for remuneration of councilors amounts to R17, 962 million while the year to date budget is R18, 464 million. The year to date actual expenditure for senior managers is R4, 551 million and the year to date budget thereof is R4, 414 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 R104, 004 million and the year to date budget is R104, 281 million. The remuneration of councilors and other municipal staff category has underspending variance, and there is only one vacant position in the senior management level and the position 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	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year +1	Budget Year +2	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget				
Cash Receipts By Source																
Property rates	2,340	2,014	2,246	2,012	2,102	1,991	1,807	2,022	2,055	1,823	1,823	(357)	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	7,334	6,741	6,741	11,788	87,380	86,220	90,876	
Service charges - refuse	428	406	338	342	360	327	338	387	330	335	335	93	4,018	4,596	4,844	
Rental of facilities and equipment	17	188	59	24	34	43	25	51	32	59	59	113	705	721	760	
Interest earned - external investments	425	456	233	41	-	-	-	-	41	245	245	1,259	2,946	3,105	3,272	
Interest earned - outstanding debtors	150	133	127	102	52	74	68	63	73	76	76	(79)	915	1,484	1,564	
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	800	800	8,001	9,602	10,120	
Licences and permits	475	481	456	521	415	289	450	416	377	456	456	678	5,470	5,766	6,077	
Transfer receipts - operating	112,431	2,235	-	-	19,963	69,707	619	411	67,252	23,135	23,135	(46,270)	272,618	291,737	314,255	
Other revenue	1,285	1,215	2,271	1,371	1,521	1,458	1,441	1,144	1,430	139	139	(11,748)	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	78,923	33,809	33,809	(36,522)	407,197	432,954	463,098	
Other Cash Flows by Source																
Transfer receipts - capital	30,967	-	-	-	5,000	17,467	-	5,000	15,477	6,160	6,160	(12,310)	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	(31)			(542)	(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	94,369	39,969	39,969	(77,740)	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	11,213	12,609	12,609	13,759	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	1,951	2,130	2,130	3,333	25,554	27,266	28,093	
Interest paid	255	-	-	731	217	217	-	408	187	207	207	75	2,505	1,141	53	
Bulk purchases - Electricity	85	8,918	9,123	7,369	6,053	6,691	6,618	5,616	7,222	6,382	6,382	10,480	80,941	93,406	107,884	
Other materials	289	598	990	1,306	803	2,443	666	1,257	411	773	773	(1,191)	9,120	9,612	9,831	
Contracted services	7,339	3,265	7,503	8,035	5,181	14,370	8,314	2,318	3,328	4,990	4,990	(13,364)	56,268	58,464	61,929	
Grants and subsidies paid - other	217	228	142	209	119	347	246	246	70	312	312	1,293	3,740	3,942	4,155	
General expenses	6,799	3,168	4,748	5,317	2,254	5,258	3,357	2,108	3,099	4,247	4,247	(2,048)	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	27,480	31,650	31,650	12,338	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	5,799	5,799	6,452	2,360	88,001	89,158	88,783	
Repayment of borrowing	754	763	771	781	790	799	807	818	826	807	807	962	9,686	11,050	2,504	
Other Cash Flows/Payments	38,713	6,411	-	9,746	-	12,347	-	-	15,168	838	838	(74,006)	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	49,273	39,094	39,747	(58,346)	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)	45,095	875	222	(19,393)	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	47,237	48,112	48,334	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	47,237	48,112	48,334	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 R94, 369 million and the total cash payment for the month were R49, 273 million and this resulted in net increase in cash held amounting to R45, 095 million. With cash and cash equivalent of R2, 142 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R47, 237 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	5,799	72,378	84,483	12,106	14%	76%
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	72,378					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of March amounts to R5, 799 million. The year to date actual expenditure incurred is R72, 378 million whilst the year to date budget is R84, 483 million that gives rise to under spending variance of R12, 106 million that translate to 14%.

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	28,613	53,043	74,049	3,780	49,361	49,544	184	0%	74,049
Roads Infrastructure	15,138	33,521	54,487	3,728	34,298	32,708	(1,590)	-5%	54,487
Roads	15,138	33,521	54,487	3,728	34,298	32,708	(1,590)	-5%	54,487
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Drainage Collection							-		
Electrical Infrastructure	13,475	19,522	19,562	52	15,063	16,836	1,773	11%	19,562
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	13,475	19,522	19,562	52	15,063	16,836	1,773	11%	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	-	-	-	-	-		-
Operational Buildings	4,947	900	-	-	-	-	-		-
Municipal Offices	4,947	900	-	-	-	-	-		-
Pay/Enquiry Points							-		
Building Plan Offices							-		
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
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	526	-		534
Furniture and Office Equipment	400	400	534	-	526	526	-		534
Machinery and Equipment	300	2,326	1,870	0	1,091	1,190	99	8%	1,870
Machinery and Equipment	300	2,326	1,870	0	1,091	1,190	99	8%	1,870
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on new assets	35,261	57,169	76,568	3,780	50,992	51,375	383	1%	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	39,055	21,663	20,701	1,873	11,388	12,797	1,410	11%	20,701
Roads Infrastructure	39,055	21,663	20,701	1,873	11,388	12,797	1,410	11%	20,701
Roads	39,055	21,663	20,701	1,873	11,388	12,797	1,410	11%	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	-	-	-	-	-	-	-		-
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 renewal of existing assets	39,577	21,663	20,701	1,873	11,388	12,797	1,410	11.0%	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	445	4,583	5,353	770	14%	7,683
Roads Infrastructure	2,000	2,000	2,767	-	161	1,203	1,042	87%	2,767
Roads	2,000	2,000	2,767	-	161	1,203	1,042	87%	2,767
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	1,000	1,052	2,052	40	1,644	1,777	132	7%	2,052
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	1,000	1,052	2,052	40	1,644	1,777	132	7%	2,052
Solid Waste Infrastructure	3,704	3,704	2,864	405	2,778	2,373	(405)	-17%	2,864
Landfill Sites	3,704	3,704	2,864	405	2,778	2,373	(405)	-17%	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	1	1,497	1,712	215	13%	1,752
Operational Buildings	1,000	1,052	1,752	1	1,497	1,712	215	13%	1,752
Municipal Offices	1,000	1,052	1,752	1	1,497	1,712	215	13%	1,752
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	1,670	1,757	1,739	188	1,197	1,301	104	8%	1,739
Machinery and Equipment	1,670	1,757	1,739	188	1,197	1,301	104	8%	1,739
Transport Assets	1,000	1,052	2,352	284	1,672	1,774	101	6%	2,352
Transport Assets	1,000	1,052	2,352	284	1,672	1,774	101	6%	2,352
Total Repairs and Maintenance Expenditure	10,374	10,617	13,526	918	8,950	10,140	1,190	11.7%	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							-		
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	-	273	2,174	1,901	87%	3,727
Transport Assets	3,542	3,727	3,727	-	273	2,174	1,901	87%	3,727
Total Depreciation	51,181	56,520	52,729	-	273	35,068	34,795	99%	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	145	9,050	8,862	(189)	-2%	14,346
Roads Infrastructure	-	14,346	14,346	145	9,050	8,862	(189)	-2%	14,346
Roads		14,346	14,346	145	9,050	8,862	(189)	-2%	14,346
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
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	-	947	849	(99)	(0)	1,476
Operational Buildings	-	2,476	1,476	-	947	849	(99)	-12%	1,476
Municipal Offices	-	2,476	1,476	-	947	849	(99)	-12%	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	145	9,997	9,710	(287)	-3%	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 R50, 992 million and the year to date budget is R51, 375 million that reflects under spending variance of R383 thousands that translates to 1% variance.

The year to date actuals on renewal of existing assets amounts R11, 388 million, and with the year to date budget of R12, 797 million and this reflects under spending variance of R1, 410 million that translates to 11.% variance.

The year to date actual expenditure on repairs and maintenance is R8, 950 million and the year to date budget is R10, 140 million, reflecting under spending variance of R1, 190 million that translates to 12%.

The year to date actual expenditure on upgrading of existing assets is R9, 997 million and the year to date budget is R9, 710 million, reflecting over spending variance of R287 thousands that translates to 3%.

The year to date actual expenditure on depreciation and asset impairment is R273 thousands and the year to date budget is R35, 068 million, reflecting spending variance of R34, 795 million, that translates to 99% 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. However the municipality did not prepare either six nor nine financials hence there is still under spending on depreciation and asset impairment. This is basically mean that the municipality is partially complying with some of mSCOA requirements.

List of Capital Programmes and Projects

Department	Project Description	Type	Asset Class	Asset Sub-Class	Medium Term Revenue and Expenditure Framework			
					Budget Year 2019/20			
					Original Budget	Adjusted Budget	YTD Actuals	Percentage
Parent municipality:								
Technical Services	Kgapamadi road	Renewal	Infrastructure	Roads Infrastructure	22,816	19,316	9,851	51%
Technical Services	Development of masakaneng-COGHSTA	New	Infrastructure	Roads Infrastructure	–	21,771	16,860	77%
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	9,825	83%
Technical Services	JJ Zaaiplaas Road	New	Infrastructure	Roads Infrastructure	7,705	10,705	3,439	32%
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	Renewal	Infrastructure	Roads Infrastructure	1,500	650	384	59%
Technical Services	Upgrading of Dipakapakeng Access Road	Upgrade	Infrastructure	Roads Infrastructure	1,500	650	643	99%
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	145	21%
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	459	82%
Corporate Services	Computer Equipment	New	Computer Equipment	Computer Equipment	500	115	15	13%
Community Services	Mobile Offices Traffic	New	Community assets	Operational building	500	–	–	
Community Services	Tractor, tractor trailer and slasher	New	Community assets	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	Equipment	348	345	300	87%
Community Services	Bin lifter (compatible with self-compressed containers)	New	Machinery and Equipment	Machinery and Equipment	348	258	258	100%
Technical Services	Laersdrift Road	New	Infrastructure	Roads Infrastructure	–	1,500	1,132	75%
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 March 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 (LIM472)

Signature

Date

[Handwritten Signature]
2020/05/22

