

# **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**



## **SECTION 52 REPORT: 2019/20**

**REPORTING PERIOD: FIRST QUARTER**

## **PART 1: QUARTERLY REPORT**

### **PURPOSE**

To submit a report to council within 30 days of the end of each quarter on implementation of the Budget and Financial state of the Municipality as required by Section 52 of the Municipal Finance Management Act

### **Executive Summary**

Section 52 of the Municipal Finance Management Act deals with requirements for quarterly reporting and further states that the Mayor of the Municipality must within 30 days of the end of each quarter submit a report to council on implementation of the Budget and the financial state of the Municipality.

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

<b>SUMMARY OF BUDGET AND ACTUALS 2019/20</b>				
<b>DESCRIPTION</b>	<b>2019/20</b>			
	<b>ORIGINAL BUDGET</b>	<b>ADJUSTED BUDGET</b>	<b>YEAR TO DATE ACTUAL</b>	<b>PERCENT AGE</b>
<b>OPERATING REVENUE</b>	<b>500,884,685</b>	<b>-</b>	<b>139,090,382</b>	<b>28%</b>
		<b>-</b>		
<b>OPERATING EXPENDITURE</b>	<b>482,591,369</b>	<b>-</b>	<b>57,079,986</b>	<b>12%</b>
		<b>-</b>		
<b>TRANSFER - CAPITAL</b>	<b>73,921,000</b>	<b>-</b>	<b>10,608,418</b>	<b>14%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>92,214,316</b>	<b>-</b>	<b>92,618,814</b>	<b>100%</b>
<b>CAPITAL EXPENDITURE</b>	<b>95,653,510</b>	<b>-</b>	<b>8,934,072</b>	<b>9%</b>

**Table C1: Quarterly Budget Statement Summary**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Financial Performance</b>									
Property rates	33 010	34 727	–	8 912	8 912	8 682	230	3%	34 727
Service charges	89 925	101 507	–	23 354	23 354	22 530	824	4%	101 507
Investment revenue	2 800	2 946	–	1 114	1 114	504	610	121%	2 946
Transfers and subsidies	245 278	272 618	–	113 185	113 185	101 646	11 539	11%	–
Other own revenue	84 683	89 087	–	5 917	5 917	24 917	(19 000)	-76%	361 705
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>455 697</b>	<b>500 885</b>	<b>–</b>	<b>152 483</b>	<b>152 483</b>	<b>158 279</b>	<b>(5 797)</b>	<b>-4%</b>	<b>500 885</b>
Employee costs	130 473	147 530	–	33 435	33 435	35 389	(1 954)	-6%	147 530
Remuneration of Councillors	24 291	25 554	–	5 940	5 940	6 389	(448)	-7%	25 554
Depreciation & asset impairment	51 181	56 520	–	–	–	14 130	(14 130)	-100%	56 520
Finance charges	2 900	2 505	–	–	–	626	(626)	-100%	2 505
Materials and bulk purchases	78 909	94 531	–	20 004	20 004	27 582	(7 577)	-27%	94 531
Transfers and subsidies	3 580	3 740	–	587	587	980	(393)	-40%	3 740
Other expenditure	157 835	152 210	–	32 863	32 863	42 149	(9 286)	-22%	152 210
<b>Total Expenditure</b>	<b>449 169</b>	<b>482 591</b>	<b>–</b>	<b>92 830</b>	<b>92 830</b>	<b>127 245</b>	<b>(34 416)</b>	<b>-27%</b>	<b>482 591</b>
<b>Surplus/(Deficit)</b>	<b>6 528</b>	<b>18 293</b>	<b>–</b>	<b>59 653</b>	<b>59 653</b>	<b>31 034</b>	<b>28 619</b>	<b>92%</b>	<b>18 293</b>
Transfers and subsidies - capital (monetary allocations)	94 050	73 921	–	16 151	16 151	30 600	(14 449)	-47%	73 921
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>100 578</b>	<b>92 214</b>	<b>–</b>	<b>75 804</b>	<b>75 804</b>	<b>61 634</b>	<b>14 170</b>	<b>23%</b>	<b>92 214</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>100 578</b>	<b>92 214</b>	<b>–</b>	<b>75 804</b>	<b>75 804</b>	<b>61 634</b>	<b>14 170</b>	<b>23%</b>	<b>92 214</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>97 258</b>	<b>95 654</b>	<b>–</b>	<b>13 462</b>	<b>13 462</b>	<b>27 239</b>	<b>(13 777)</b>	<b>-51%</b>	<b>95 654</b>
Capital transfers recognised	81 841	73 921	–	13 276	13 276	22 524	(9 248)	-41%	73 921
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	15 417	21 733	–	187	187	4 715	(4 529)	-96%	21 733
<b>Total sources of capital funds</b>	<b>97 258</b>	<b>95 654</b>	<b>–</b>	<b>13 462</b>	<b>13 462</b>	<b>27 239</b>	<b>(13 777)</b>	<b>-51%</b>	<b>95 654</b>
<b>Financial position</b>									
Total current assets	211 349	115 014	–	–	149 336	–	–	–	115 014
Total non current assets	1 053 184	1 123 066	–	–	1 345 072	–	–	–	1 123 066
Total current liabilities	140 539	81 128	–	–	357 232	–	–	–	81 128
Total non current liabilities	121 097	103 696	–	–	109 994	–	–	–	103 696
Community wealth/Equity	<b>1 002 897</b>	<b>1 053 256</b>	<b>–</b>	<b>–</b>	<b>1 027 183</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 053 256</b>
<b>Cash flows</b>									
Net cash from (used) operating	118 137	102 851	–	41 248	41 248	61 634	20 386	33%	102 851
Net cash from (used) investing	(44 880)	(88 001)	–	(11 500)	(11 500)	(11 256)	244	-2%	(88 001)
Net cash from (used) financing	(9 023)	(10 086)	–	(2 059)	(2 059)	(3 204)	(1 146)	36%	(10 086)
<b>Cash/cash equivalents at the month/year end</b>	<b>70 428</b>	<b>29 037</b>	<b>–</b>	<b>–</b>	<b>52 671</b>	<b>71 446</b>	<b>18 775</b>	<b>26%</b>	<b>29 746</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
Debtors Age Analysis									
Total By Income Source	12 210	4 603	2 635	5 555	2 156	2 010	11 104	47 632	87 907
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

## Revenue

For the first quarter of July to September 2019, the year to date actual amounted to R 152, 483 million. Of the total revenue received during the first quarter, the major portion of R112, 087 million that translate to 74% is from equitable share. Other receipts are from property rates, service charges and other grants.

## **Operating Expenditure**

The operating expenditure for the quarter amounts to R92, 830 million with the year to date expenditure of R92, 830 million which shows 21% year to date variance when compared to the year to date budget.

## **Capital Expenditure**

The year to date actual capital expenditure as at end of the quarter amounts to R13, 462 million and the year to date budget amounts to R13, 462 million and this deviates with 51% when compared to year to date target.

## **Surplus/Deficit**

Taking the above into consideration the net operating surplus for the quarter ending 30 September 2019 amounts to Positive R75, 804 million.

## **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of September amounts to R87, 907 million and this shows an increase of R7, 798 million as compared to previous quarter.

Consumer debtors is made up of service charges and property rates and other debtors. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, they do not form part of consumer debtors.

## **Creditors**

The municipality is currently striving for paying its creditors within 30 days of receipt of invoice as required by MFMA. However, the municipality has instances where the cash flow position was quite unfavorable and it was then unable to service certain creditors as and when became due. This resulted in the municipality incurring penalties and/or fruitless and wasteful expenditure due to late payment.

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

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	<b>198 283</b>	<b>214 636</b>	<b>-</b>	<b>82 642</b>	<b>82 642</b>	<b>74 938</b>	<b>7 704</b>	<b>10%</b>	<b>214 636</b>
Executive and council	42 873	46 559	-	21 332	21 332	17 128	4 204	25%	46 559
Finance and administration	147 508	159 127	-	58 018	58 018	54 518	3 499	6%	159 127
Internal audit	7 902	8 950	-	3 292	3 292	3 292	0	0%	8 950
<b>Community and public safety</b>	<b>88 850</b>	<b>94 968</b>	<b>-</b>	<b>10 056</b>	<b>10 056</b>	<b>30 217</b>	<b>(20 162)</b>	<b>-67%</b>	<b>94 968</b>
Community and social services	7 973	9 026	-	3 323	3 323	3 310	13	0%	9 026
Sport and recreation	10 677	12 092	-	5 366	5 366	4 445	921	21%	12 092
Public safety	70 200	73 850	-	1 367	1 367	22 463	(21 096)	-94%	73 850
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>141 810</b>	<b>117 004</b>	<b>-</b>	<b>36 292</b>	<b>36 292</b>	<b>46 292</b>	<b>(10 000)</b>	<b>-22%</b>	<b>117 004</b>
Planning and development	17 107	21 564	-	7 670	7 670	7 774	(104)	-1%	21 564
Road transport	123 685	94 287	-	28 198	28 198	38 094	(9 896)	-26%	94 287
Environmental protection	1 018	1 153	-	424	424	424	0	0%	1 153
<b>Trading services</b>	<b>120 804</b>	<b>148 197</b>	<b>-</b>	<b>39 644</b>	<b>39 644</b>	<b>37 432</b>	<b>2 212</b>	<b>6%</b>	<b>148 197</b>
Energy sources	102 039	119 623	-	29 304	29 304	28 821	482	2%	119 623
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	18 765	28 574	-	10 340	10 340	8 610	1 730	20%	28 574
Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>549 746</b>	<b>574 806</b>	<b>-</b>	<b>168 633</b>	<b>168 633</b>	<b>188 879</b>	<b>(20 246)</b>	<b>-11%</b>	<b>574 806</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>184 555</b>	<b>191 835</b>	<b>-</b>	<b>49 759</b>	<b>49 759</b>	<b>51 917</b>	<b>(2 158)</b>	<b>-4%</b>	<b>191 835</b>
Executive and council	39 998	41 658	-	13 410	13 410	11 325	2 085	18%	41 658
Finance and administration	135 446	141 488	-	34 814	34 814	38 176	(3 361)	-9%	141 488
Internal audit	9 111	8 689	-	1 535	1 535	2 417	(882)	-36%	8 689
<b>Community and public safety</b>	<b>68 557</b>	<b>76 535</b>	<b>-</b>	<b>6 349</b>	<b>6 349</b>	<b>19 270</b>	<b>(12 920)</b>	<b>-67%</b>	<b>76 535</b>
Community and social services	5 563	7 457	-	1 186	1 186	1 794	(608)	-34%	7 457
Sport and recreation	9 713	11 037	-	1 382	1 382	2 671	(1 288)	-48%	11 037
Public safety	53 281	58 041	-	3 781	3 781	14 805	(11 025)	-74%	58 041
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>79 856</b>	<b>87 675</b>	<b>-</b>	<b>11 245</b>	<b>11 245</b>	<b>22 715</b>	<b>(11 470)</b>	<b>-50%</b>	<b>87 675</b>
Planning and development	15 813	17 147	-	3 565	3 565	4 060	(495)	-12%	17 147
Road transport	63 315	69 685	-	7 544	7 544	18 467	(10 923)	-59%	69 685
Environmental protection	728	843	-	137	137	188	(52)	-28%	843
<b>Trading services</b>	<b>116 200</b>	<b>126 546</b>	<b>-</b>	<b>25 476</b>	<b>25 476</b>	<b>33 343</b>	<b>(7 867)</b>	<b>-24%</b>	<b>126 546</b>
Energy sources	92 646	99 370	-	19 501	19 501	26 429	(6 928)	-26%	99 370
Water management	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	23 554	27 177	-	5 974	5 974	6 914	(939)	-14%	27 177
Other	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>449 169</b>	<b>482 591</b>	<b>-</b>	<b>92 830</b>	<b>92 830</b>	<b>127 245</b>	<b>(34 416)</b>	<b>-27%</b>	<b>482 591</b>
<b>Surplus/ (Deficit) for the year</b>	<b>100 578</b>	<b>92 214</b>	<b>-</b>	<b>75 804</b>	<b>75 804</b>	<b>61 634</b>	<b>14 170</b>	<b>23%</b>	<b>92 214</b>

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

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	38 168	46 559	–	19 168	19 168	15 168	4 000	26%	46 559
Vote 2 - Municipal Manager	31 469	35 643	–	13 316	13 316	13 112	204	2%	35 643
Vote 3 - Budget & Treasury	59 272	64 188	–	21 056	21 056	19 595	1 461	7%	64 188
Vote 4 - Corporate Services	39 931	40 227	–	14 835	14 835	14 796	39	0%	40 227
Vote 5 - Community Services	120 478	132 693	–	22 190	22 190	41 045	(18 856)	-46%	132 693
Vote 6 - Technical Services	233 051	227 629	–	66 120	66 120	73 110	(6 990)	-10%	227 629
Vote 7 - Developmental Planning	11 282	14 966	–	5 243	5 243	5 347	(104)	-2%	14 966
Vote 8 - Executive Support	16 094	18 229	–	6 706	6 706	6 706	0	0%	18 229
<b>Total Revenue by Vote</b>	<b>549 746</b>	<b>580 134</b>	<b>–</b>	<b>168 633</b>	<b>168 633</b>	<b>188 879</b>	<b>(20 246)</b>	<b>-11%</b>	<b>580 134</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	35 307	36 873	–	12 706	12 706	10 152	2 553	25%	36 873
Vote 2 - Municipal Manager	37 306	35 065	–	11 561	11 561	9 441	2 120	22%	35 065
Vote 3 - Budget & Treasury	51 072	52 917	–	15 864	15 864	15 092	772	5%	52 917
Vote 4 - Corporate Services	30 600	36 814	–	4 486	4 486	9 211	(4 725)	-51%	36 814
Vote 5 - Community Services	100 333	112 427	–	14 106	14 106	28 267	(14 161)	-50%	112 427
Vote 6 - Technical Services	167 702	181 124	–	27 876	27 876	48 558	(20 682)	-43%	181 124
Vote 7 - Developmental Planning	9 977	13 185	–	2 055	2 055	3 083	(1 028)	-33%	13 185
Vote 8 - Executive Support	14 187	15 088	–	4 176	4 176	3 441	734	21%	15 088
<b>Total Expenditure by Vote</b>	<b>446 483</b>	<b>483 492</b>	<b>–</b>	<b>92 830</b>	<b>92 830</b>	<b>127 245</b>	<b>(34 416)</b>	<b>-27%</b>	<b>483 492</b>
<b>Surplus/ (Deficit) for the year</b>	<b>103 263</b>	<b>96 642</b>	<b>–</b>	<b>75 804</b>	<b>75 804</b>	<b>61 634</b>	<b>14 170</b>	<b>23%</b>	<b>96 642</b>

Table C2 and C3 measures the quarterly actual against the year to date performance targets which is realized by vote and standard classification. 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: Quarterly Financial performance by Revenue Source and Expenditure Type**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue By Source</b>									
Property rates	33 010	34 727		8 912	8 912	8 682	230	3%	34 727
Service charges - electricity revenue	81 798	92 957		21 262	21 262	21 229	33	0%	92 957
Service charges - water revenue							-		
Service charges - sanitation revenue							-		
Service charges - refuse revenue	8 127	8 550		2 093	2 093	1 301	792	61%	8 550
Rental of facilities and equipment	1 000	1 052		184	184	263	(79)	-30%	1 052
Interest earned - external investments	2 800	2 946		1 114	1 114	504	610	121%	2 946
Interest earned - outstanding debtors	6 692	7 040		2 678	2 678	1 052	1 626	155%	7 040
Dividends received							-		
Fines, penalties and forfeits	70 209	73 860		1 367	1 367	22 465	(21 098)	-94%	73 860
Licences and permits	5 200	5 470		1 374	1 374	864	510	59%	5 470
Agency services							-		
Transfers and subsidies	245 278	272 618		113 185	113 185	101 646	11 539	11%	
Other revenue	1 582	1 664		315	315	273	42	15%	272 618
Gains on disposal of PPE	-	-		-	-		-		1 664
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>455 697</b>	<b>500 885</b>	<b>-</b>	<b>152 483</b>	<b>152 483</b>	<b>158 279</b>	<b>(5 797)</b>	<b>-4%</b>	<b>500 885</b>
<b>Expenditure By Type</b>									
Employee related costs	130 473	147 530		33 435	33 435	35 389	(1 954)	-6%	147 530
Remuneration of councillors	24 291	25 554		5 940	5 940	6 389	(448)	-7%	25 554
Debt impairment	55 000	57 860		42	42	14 465	(14 423)	-100%	57 860
Depreciation & asset impairment	51 181	56 520		-	-	14 130	(14 130)	-100%	56 520
Finance charges	2 900	2 505		-	-	626	(626)	-100%	2 505
Bulk purchases	70 000	80 941		18 127	18 127	21 585	(3 458)	-16%	80 941
Other materials	8 909	13 590		1 877	1 877	5 996	(4 119)	-69%	13 590
Contracted services	59 841	53 788		18 106	18 106	15 693	2 414	15%	53 788
Transfers and subsidies	3 580	3 740		587	587	980	(393)	-40%	3 740
Other expenditure	42 994	40 562		14 715	14 715	11 992	2 723	23%	40 562
Loss on disposal of PPE	-	(0)		-	-	-	-		(0)
<b>Total Expenditure</b>	<b>449 169</b>	<b>482 591</b>	<b>-</b>	<b>92 830</b>	<b>92 830</b>	<b>127 245</b>	<b>(34 416)</b>	<b>-27%</b>	<b>482 591</b>
<b>Surplus/(Deficit)</b>	<b>6 528</b>	<b>18 293</b>	<b>-</b>	<b>59 653</b>	<b>59 653</b>	<b>31 034</b>	<b>28 619</b>	<b>92%</b>	<b>18 293</b>
Transfers and subsidies - capital (monetary allocations)	94 050	73 921		16 151	16 151	30 600	(14 449)	-47%	73 921
Transfers and subsidies - capital (monetary allocations)							-		
Transfers and subsidies - capital (in-kind - all)							-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>100 578</b>	<b>92 214</b>	<b>-</b>	<b>75 804</b>	<b>75 804</b>	<b>61 634</b>			<b>92 214</b>
Taxation									
<b>Surplus/(Deficit) after taxation</b>	<b>100 578</b>	<b>92 214</b>	<b>-</b>	<b>75 804</b>	<b>75 804</b>	<b>61 634</b>			<b>92 214</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>100 578</b>	<b>92 214</b>	<b>-</b>	<b>75 804</b>	<b>75 804</b>	<b>61 634</b>			<b>92 214</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>100 578</b>	<b>92 214</b>	<b>-</b>	<b>75 804</b>	<b>75 804</b>	<b>61 634</b>			<b>92 214</b>

This table provides the quarterly details for revenue by source and expenditure by type. The reasons for deviations will only be provided in cases where the difference is more than 10% and can be viewed in supporting table SC1.

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

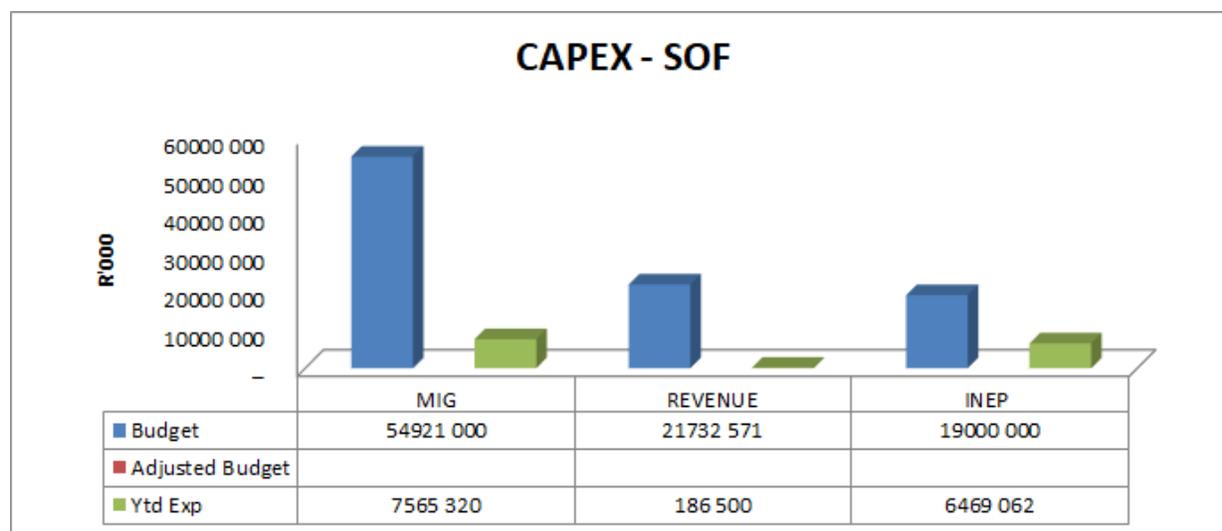
Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	2 200	1 800	-	187	187	526	(340)	-65%	1 800
Executive and council							-		
Finance and administration	2 200	1 800		187	187	526	(340)	-65%	1 800
Internal audit							-		
<b>Community and public safety</b>	522	500	-	-	-	-	-		500
Community and social services	522	500				-	-		500
Sport and recreation							-		
Public safety							-		
Housing							-		
Health							-		
<b>Economic and environmental services</b>	79 449	72 006	-	7 672	7 672	17 966	(10 294)	-57%	72 006
Planning and development							-		
Road transport	79 449	72 006		7 672	7 672	17 966	(10 294)	-57%	72 006
Environmental protection							-		
<b>Trading services</b>	15 087	21 348	-	5 604	5 604	8 747	(3 143)	-36%	21 348
Energy sources	13 487	19 522		5 604	5 604	7 530	(1 926)	-26%	19 522
Water management							-		
Waste water management							-		
Waste management	1 600	1 826				1 217	(1 217)	-100%	1 826
Other							-		
<b>Total Capital Expenditure - Functional Classification</b>	<b>97 258</b>	<b>95 654</b>	<b>-</b>	<b>13 462</b>	<b>13 462</b>	<b>27 239</b>	<b>(13 777)</b>	<b>-51%</b>	<b>95 654</b>
<b>Funded by:</b>									
National Government	62 910	73 921		13 276	13 276	22 524	(9 248)	-41%	73 921
Provincial Government	18 931	-					-		
District Municipality							-		
Other transfers and grants							-		
<b>Transfers recognised - capital</b>	<b>81 841</b>	<b>73 921</b>	<b>-</b>	<b>13 276</b>	<b>13 276</b>	<b>22 524</b>	<b>(9 248)</b>	<b>-41%</b>	<b>73 921</b>
Borrowing							-		
Internally generated funds	15 417	21 733		187	187	4 715	(4 529)	-96%	21 733
<b>Total Capital Funding</b>	<b>97 258</b>	<b>95 654</b>	<b>-</b>	<b>13 462</b>	<b>13 462</b>	<b>27 239</b>	<b>(13 777)</b>	<b>-51%</b>	<b>95 654</b>

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

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1 400	-	-	-	-	-	-	-	-
Vote 5 - Community Services	1 600	-	-	-	-	-	-	-	-
Vote 6 - Technical Services	25 714	50 583	-	6 339	6 339	13 462	(7 124)	-53%	50 583
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>28 714</b>	<b>50 583</b>	<b>-</b>	<b>6 339</b>	<b>6 339</b>	<b>13 462</b>	<b>(7 124)</b>	<b>-53%</b>	<b>50 583</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	500	-	-	-	-	-	-	500
Vote 4 - Corporate Services	800	1 800	-	187	187	526	(340)	-65%	1 800
Vote 5 - Community Services	522	1 826	-	-	-	1 217	(1 217)	-100%	1 826
Vote 6 - Technical Services	67 222	40 945	-	6 937	6 937	12 033	(5 096)	-42%	40 945
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-

Table C5 Capex and C5C present capital expenditure performance for all votes, standard classification and the funding thereof and measures the year-to-date performance targets against the actual capital expenditure figures.

For the quarter R13, 462 million spending was incurred on capital budget and year to date budget is R27, 239 million and this gave rise to underperformance variance of R13, 777 million that translates to 51%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget, R54, 921 million is funded from Municipal Infrastructure grant, R19, 000 million from INEP and R21, 733 million from own revenue and the spending per source of finance is presented in the above graph. CoGHSTA - Development of Masakaneng was not budget for, it will be incorporated during the Adjustment Budget.

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

Description	2018/19	Budget Year 2019/20			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	3 136	4 882		30 513	4 882
Call investment deposits	67 292	24 155		22 159	24 155
Consumer debtors	45 009	41 950		43 929	41 950
Other debtors	89 584	40 727		44 872	40 727
Current portion of long-term receivables	–	–		–	–
Inventory	6 328	3 300		7 864	3 300
<b>Total current assets</b>	<b>211 349</b>	<b>115 014</b>	<b>–</b>	<b>149 336</b>	<b>115 014</b>
<b>Non current assets</b>					
Long-term receivables	–	–			–
Investments	–	–			–
Investment property	54 139	53 739		70 285	53 739
Investments in Associate	–	–			–
Property, plant and equipment	997 723	1 055 765		1 272 844	1 055 765
Biological					
Intangible	85	85		1 207	85
Other non-current assets	1 237	13 476		736	13 476
<b>Total non current assets</b>	<b>1 053 184</b>	<b>1 123 066</b>	<b>–</b>	<b>1 345 072</b>	<b>1 123 066</b>
<b>TOTAL ASSETS</b>	<b>1 264 533</b>	<b>1 238 080</b>	<b>–</b>	<b>1 494 408</b>	<b>1 238 080</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	–	–			–
Borrowing	5 002	9 686		9 431	9 686
Consumer deposits	5 373	4 860		5 615	4 860
Trade and other payables	126 449	60 924		338 403	60 924
Provisions	3 715	5 658		3 781	5 658
<b>Total current liabilities</b>	<b>140 539</b>	<b>81 128</b>	<b>–</b>	<b>357 232</b>	<b>81 128</b>
<b>Non current liabilities</b>					
Borrowing	23 097	13 554		17 328	13 554
Provisions	98 000	90 142		92 665	90 142
<b>Total non current liabilities</b>	<b>121 097</b>	<b>103 696</b>	<b>–</b>	<b>109 994</b>	<b>103 696</b>
<b>TOTAL LIABILITIES</b>	<b>261 637</b>	<b>184 824</b>	<b>–</b>	<b>467 225</b>	<b>184 824</b>
<b>NET ASSETS</b>	<b>1 002 897</b>	<b>1 053 256</b>	<b>–</b>	<b>1 027 183</b>	<b>1 053 256</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	1 002 897	1 053 256		1 027 183	1 053 256
Reserves	–	–		–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1 002 897</b>	<b>1 053 256</b>	<b>–</b>	<b>1 027 183</b>	<b>1 053 256</b>

The above table shows that community wealth amounts to R1 027,183 billion, total liabilities R467,225 million and the total assets R1, 494, 408 billion. Non-current liabilities are mainly made up of provisions for long service award, landfill site and bonus.

Total current assets appear not to be fairly reasonable relative to total current liabilities and this as a result portray unfavorable picture of the municipality's current ratio.

**Table C7: Quarterly Budgeted Statement Cash Flow**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	18 029	21 878		6 601	6 601	8 682	(2 081)	-24%	21 878
Service charges	69 861	91 398		20 017	20 017	22 530	(2 514)	-11%	91 398
Other revenue	30 398	17 441		6 447	6 447	23 865	(17 419)	-73%	17 441
Government - operating	186 331	272 618		114 666	114 666	101 646	13 020	13%	272 618
Government - capital	93 601	73 921		30 967	30 967	30 600	367	1%	73 921
Interest	3 493	3 861		1 523	1 523	1 556	(33)	-2%	3 861
Dividends	-	-					-		-
<b>Payments</b>									
Suppliers and employees	(280 260)	(372 021)		(138 131)	(138 131)	(125 279)	12 852	-10%	(372 021)
Finance charges	(1 397)	(2 505)		(255)	(255)	(986)	(731)	74%	(2 505)
Transfers and Grants	(1 919)	(3 740)		(587)	(587)	(980)	(393)	40%	(3 740)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>118 137</b>	<b>102 851</b>	<b>-</b>	<b>41 248</b>	<b>41 248</b>	<b>61 634</b>	<b>20 386</b>	<b>33%</b>	<b>102 851</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	3 022	-		-	-	-	-		-
Decrease (Increase) in non-current debtors	-	-		4 651	4 651	-	4 651	#DIV/0!	-
Decrease (increase) other non-current receivables	150	-		-	-	-	-		-
Decrease (increase) in non-current investments	-	-		-	-	-	-		-
<b>Payments</b>									
Capital assets	(48 052)	(88 001)		(16 151)	(16 151)	(11 256)	4 894	-43%	(88 001)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(44 880)</b>	<b>(88 001)</b>	<b>-</b>	<b>(11 500)</b>	<b>(11 500)</b>	<b>(11 256)</b>	<b>244</b>	<b>-2%</b>	<b>(88 001)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-					-		-
Borrowing long term/refinancing	-	-					-		-
Increase (decrease) in consumer deposits	124	(400)		230	230	(916)	1 146	-125%	(400)
<b>Payments</b>									
Repayment of borrowing	(9 147)	(9 686)		(2 289)	(2 289)	(2 289)	-		(9 686)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(9 023)</b>	<b>(10 086)</b>	<b>-</b>	<b>(2 059)</b>	<b>(2 059)</b>	<b>(3 204)</b>	<b>(1 146)</b>	<b>36%</b>	<b>(10 086)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>64 234</b>	<b>4 764</b>	<b>-</b>	<b>27 689</b>	<b>27 689</b>	<b>47 173</b>			<b>4 764</b>
Cash/cash equivalents at beginning:	6 194	24 273			24 982	24 273			24 982
Cash/cash equivalents at month/year end:	70 428	29 037	-		52 671	71 446			29 746

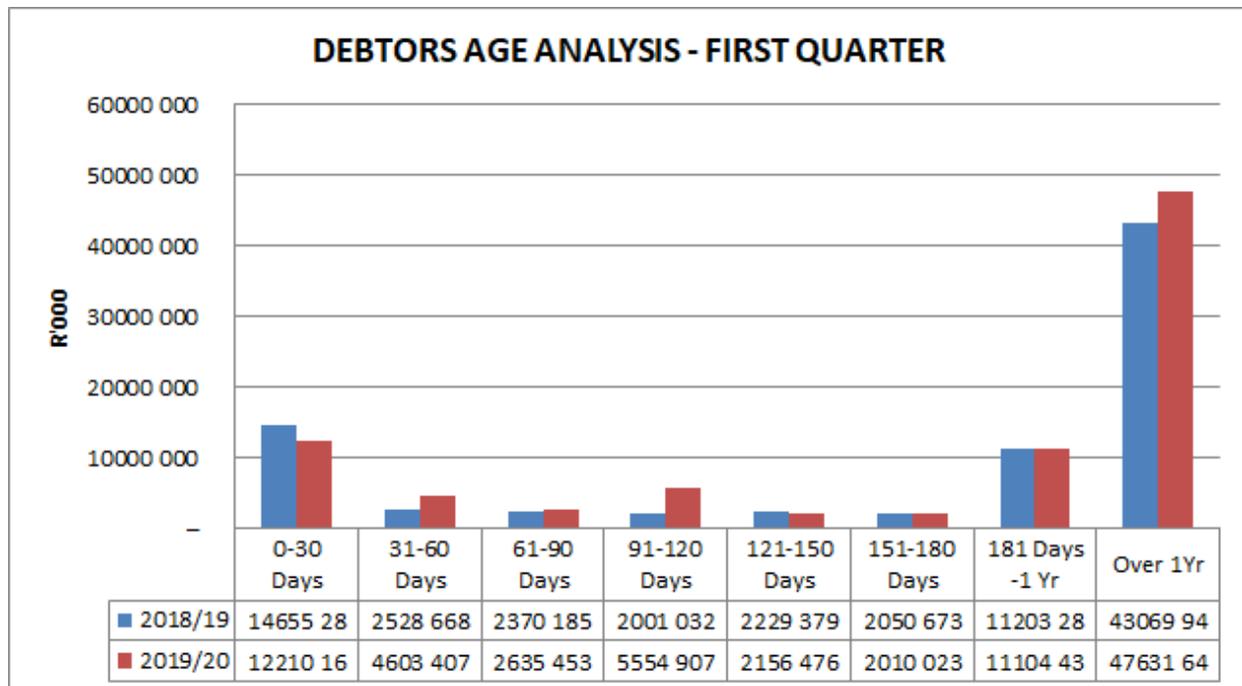
Table C7 provides details of the cash in and outflow. For the quarter ending 30 September 2019 the net cash from operating activities is R41, 248 million whilst cash used for investing activities is -R11, 500 million and the net cash from financing activities is -R2, 059 million. The cash and cash equivalent held at end of the first quarter amounted to R52, 671 million.

## PART 2: SUPPORTING TABLES

### Table SC3: Debtors Analysis

Description	Budget Year 2019/20								Total	Total over 90 days	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				
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Water												
Trade and Other Receivables from Exchange Transactions - Electricity	6 898	1 605	144	60	73	71	308	2 812	11 971	3 324		
Receivables from Non-exchange Transactions - Property Rates	2 998	1 491	1 185	4 214	848	852	4 505	21 492	37 584	31 911		
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-		
Receivables from Exchange Transactions - Waste Management	703	459	402	351	407	325	2 003	6 675	11 325	9 761		
Receivables from Exchange Transactions - Property Rental Debtors	40	10	64	59	4	4	70	807	1 057	943		
Interest on Arrear Debtor Accounts	935	899	862	797	812	768	4 051	16 026	25 149	22 454		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-		
Other	635	140	(21)	75	13	(9)	167	(180)	819	66		
<b>Total By Income Source</b>	<b>12 210</b>	<b>4 603</b>	<b>2 635</b>	<b>5 555</b>	<b>2 156</b>	<b>2 010</b>	<b>11 104</b>	<b>47 632</b>	<b>87 907</b>	<b>68 457</b>	-	-
<b>2018/19 - totals only</b>	<b>14 655</b>	<b>2 529</b>	<b>2 370</b>	<b>2 001</b>	<b>2 229</b>	<b>2 051</b>	<b>11 203</b>	<b>43 070</b>	<b>80 108</b>	<b>60 554</b>		
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	1 601	958	593	1 175	450	444	2 313	10 572	18 106	14 955		
Commercial	6 099	1 083	424	479	348	227	1 030	7 196	16 886	9 280		
Households	3 691	1 895	1 049	1 471	948	928	5 449	18 991	34 421	27 787		
Other	820	667	570	2 430	410	411	2 312	10 872	18 493	16 436		
<b>Total By Customer Group</b>	<b>12 210</b>	<b>4 603</b>	<b>2 635</b>	<b>5 555</b>	<b>2 156</b>	<b>2 010</b>	<b>11 104</b>	<b>47 632</b>	<b>87 907</b>	<b>68 457</b>	-	-

This table provides a breakdown of the consumer and sundry debtors at the end of the quarter. The outstanding debtors amounted to R 87, 907 million as at 30 September 2019. Consumer debtors amounts to R 86, 030 million and sundry debtors amounts to R 1, 877 million as at end of the first quarter.



The graph compares debtors' age analysis for 2017/18 financial year and 2019/20 (as at end of first quarter) and noted from the graph there is an increase in the municipal debt book for 2019/20 financial year.

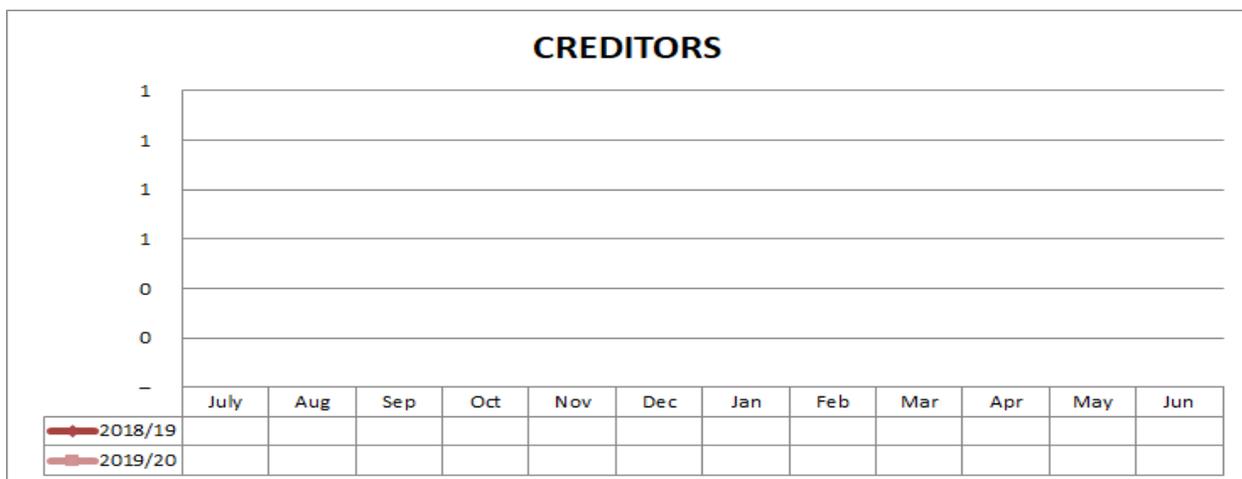
**Table SC4: Creditors Analysis**

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		
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity										-	
Bulk Water										-	
PAYE deductions										-	
VAT (output less input)										-	
Pensions / Retirement deductions										-	
Loan repayments										-	
Trade Creditors										-	
Auditor General										-	
Other										-	
<b>Total By Customer Type</b>	-	-	-	-	-	-	-	-	-	-	-

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice. No creditors were outstanding for more than 30 days. All invoices were paid within the prescribed period for the first quarter. 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.



The graph compares creditors' age analysis for 2018/19 financial year and 2019/20 (as at end of first quarter) and noted from the graph there is a decrease in 0-30 days.

**Table SC5: Investment Portfolio Analysis**

Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
Nedbank 03/7881068264/0054	1 Month	Current Investment	7.72%	09-Sep-19	-	393 403	(30 736 044)	30 342 641	-
Nedbank 03/7881068264/0037	1 Month	Current Investment	7.74%	08-Oct-19	11 837 655	55 556	(42 286 614)	30 393 403	-
Nedbank 03/7881068264/0055	1 Month	Current Investment	5.20%	30-Sep-19	-	387 798	-	21 771 000	22 158 798
Nedbank 03/7881068264/0053	1 Month	Current Investment	7.64%	12-Aug-19	-	142 334	(20 142 334)	20 000 000	-
Standard Bank 038823527/003	1 Month	Current Investment	7.45%	16-Aug-19	-	134 516	(22 102 516)	21 968 000	-
<b>TOTAL INVESTMENTS AND INTEREST</b>					<b>11 837 655</b>		<b>(115 267 508)</b>	<b>124 475 044</b>	<b>22 158 798</b>

Supporting Table SC5 displays the council's investments portfolio and indicates that R22, 158 million was invested as at end of the first quarter.

**Table SC6- Allocation and grant receipts**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>245 278</b>	<b>272 618</b>	<b>-</b>	<b>114 666</b>	<b>114 666</b>	<b>101 646</b>	<b>13 126</b>	<b>13%</b>	<b>272 618</b>
Local Government Equitable Share	237 506	269 009		112 087	112 087	98 961	13 126	13%	269 009
Finance Management	1 770	2 235		2 235	2 235	2 235			2 235
EPWP Incentive	1 002	1 374		344	344	450			1 374
Energy Efficiency and Demand Management	5 000	-		-	-	-			-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Total Operating Transfers and Grants</b>	<b>245 278</b>	<b>272 618</b>	<b>-</b>	<b>114 666</b>	<b>114 666</b>	<b>101 646</b>	<b>13 126</b>	<b>13%</b>	<b>272 618</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>72 279</b>	<b>73 921</b>	<b>-</b>	<b>30 967</b>	<b>30 967</b>	<b>30 600</b>	<b>367</b>	<b>1%</b>	<b>73 921</b>
Municipal Infrastructure Grant (MIG)	62 270	54 921		21 967	21 967	25 000	(3 033)	-12%	54 921
Intergrated National Electrification Grant	10 009	19 000		9 000	9 000	5 600	3 400	61%	19 000
<b>Provincial Government:</b>	<b>21 771</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Coghsta - Development	21 771	-		-	-	-	-	-	-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Total Capital Transfers and Grants</b>	<b>94 050</b>	<b>73 921</b>	<b>-</b>	<b>30 967</b>	<b>30 967</b>	<b>30 600</b>	<b>367</b>	<b>1%</b>	<b>73 921</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>339 328</b>	<b>346 539</b>	<b>-</b>	<b>145 633</b>	<b>145 633</b>	<b>132 246</b>	<b>13 493</b>	<b>10%</b>	<b>346 539</b>

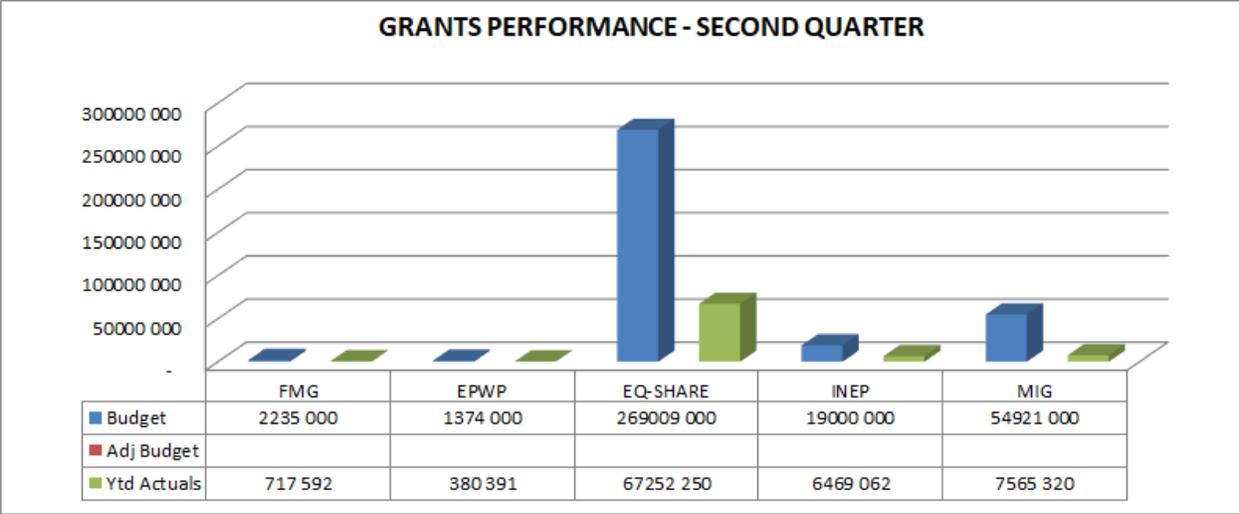
Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R145, 633 million of which the major portion is attributed to equitable share. For the reporting period at least R112, 087 million was received from Equitable share, R21, 967 from

MIG. Other receipts where from FMG, INEG and EPWP. All the grants allocated for the current financial year, so far have been received in line with National Treasury payment schedule.

**Table SC7: Transfers and Grant Expenditure**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>245 278</b>	<b>272 618</b>	<b>-</b>	<b>68 350</b>	<b>68 350</b>	<b>101 646</b>	<b>(33 296)</b>	<b>-33%</b>	<b>272 618</b>
Local Government Equitable Share	237 506	269 009		67 252	67 252	98 961	(31 709)	-32%	269 009
Finance Management	1 770	2 235		718	718	2 235	(1 517)	-68%	2 235
EPWP Incentive	1 002	1 374		380	380	450	(70)	-15%	1 374
Energy Efficiency and Demand Management	5 000	-				-	-		-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A							-		
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A							-		
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A							-		
<b>Total operating expenditure of Transfers and Grants:</b>	<b>245 278</b>	<b>272 618</b>	<b>-</b>	<b>68 350</b>	<b>68 350</b>	<b>101 646</b>	<b>(33 296)</b>	<b>-33%</b>	<b>272 618</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>72 279</b>	<b>73 921</b>	<b>-</b>	<b>14 034</b>	<b>14 034</b>	<b>30 600</b>	<b>(16 566)</b>	<b>-54%</b>	<b>73 921</b>
Municipal Infrastructure Grant (MIG)	62 270	54 921		7 565	7 565	25 000	(17 435)	-70%	54 921
Intergrated National Electrification Grant	10 009	19 000		6 469	6 469	5 600	869	16%	19 000
<b>Provincial Government:</b>	<b>21 771</b>	<b>21 771</b>	<b>-</b>	<b>2 116</b>	<b>2 116</b>	<b>1 256</b>	<b>860</b>	<b>68%</b>	<b>21 771</b>
Coghsta - Development	21 771	21 771		2 116	2 116	1 256	860	68%	21 771
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A							-		
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A							-		
<b>Total capital expenditure of Transfers and Grants</b>	<b>94 050</b>	<b>95 692</b>	<b>-</b>	<b>16 151</b>	<b>16 151</b>	<b>31 856</b>	<b>(15 706)</b>	<b>-49%</b>	<b>95 692</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>339 328</b>	<b>368 310</b>	<b>-</b>	<b>84 501</b>	<b>84 501</b>	<b>133 502</b>	<b>(49 001)</b>	<b>-37%</b>	<b>368 310</b>

A total amount of R84, 501 million has been spent on grants as at first quarter and the year to date budget thereof amount to R133, 502 million and this resulted in underspending variance of R49, 001 million that translates to -37%. Of the total spending amounting to R84, 501 million, R68, 350 million is spent on operational grants whilst R16, 151 million is spent of capital grants.



The above graph depicts the gazetted and/or budgeted amounts for all the grants and the expenditure thereof as at end of first quarter. The grants expenditure is shown below in percentages:

- Financial Management Grant 32%
- Expanded Public Work Programme 28%
- Equitable Share 25%
- Municipal Infrastructure Grant 14%
- Integrated National Electrification Grant 34%

**Table SC8: Councilor Allowances and Employee Benefits**

Summary of Employee and Councilor remuneration	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	14 450	15 201		3 502	3 502	3 800	(299)	-8%	15 201
Pension and UIF Contributions	1 657	1 744		412	412	436	(24)	-6%	1 744
Medical Aid Contributions	351	369		82	82	92	(10)	-11%	369
Motor Vehicle Allowance	5 334	5 611		1 221	1 221	1 403	(182)	-13%	5 611
Cellphone Allowance	2 499	2 629		670	670	657	13	2%	2 629
Housing Allowances	-	-					-		-
Other benefits and allowances	-	-		54	54		54	#DIV/0!	-
<b>Sub Total - Councillors</b>	<b>24 291</b>	<b>25 554</b>	<b>-</b>	<b>5 940</b>	<b>5 940</b>	<b>6 389</b>	<b>(448)</b>	<b>-7%</b>	<b>25 554</b>
<b>% increase</b>		<b>5%</b>							<b>5%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	4 532	5 150		1 076	1 076	1 287	(211)	-16%	5 150
Pension and UIF Contributions	245	172		41	41	43	(2)	-5%	172
Medical Aid Contributions	102	64		20	20	16	4	23%	64
Overtime	-	-					-		-
Performance Bonus	-	-					-		-
Motor Vehicle Allowance	760	918		164	164	230	(65)	-28%	918
Cellphone Allowance	141	188		42	42	47	(5)	-11%	188
Housing Allowances	-	-					-		-
Other benefits and allowances	528	331		53	53	9	44	515%	331
Payments in lieu of leave	-	-					-		-
Long service awards	-	-					-		-
Post-retirement benefit obligations	-	-					-		-
<b>Sub Total - Senior Managers of Municipality</b>	<b>6 308</b>	<b>6 824</b>	<b>-</b>	<b>1 395</b>	<b>1 395</b>	<b>1 632</b>	<b>(236)</b>	<b>-14%</b>	<b>6 824</b>
<b>% increase</b>		<b>8%</b>							<b>8%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	79 451	91 339		22 011	22 011	22 835	(824)	-4%	91 339
Pension and UIF Contributions	16 141	18 714		4 456	4 456	4 678	(222)	-5%	18 714
Medical Aid Contributions	4 726	4 761		1 334	1 334	1 190	143	12%	4 761
Overtime	2 108	1 948		333	333	487	(154)	-32%	1 948
Performance Bonus	-	-					-		-
Motor Vehicle Allowance	10 043	11 571		2 776	2 776	2 893	(116)	-4%	11 571
Cellphone Allowance	1 147	1 171		447	447	293	154	53%	1 171
Housing Allowances	160	437		44	44	595	(551)	-93%	437
Other benefits and allowances	8 638	8 329		331	331	198	133	67%	8 329
Payments in lieu of leave	1 173	1 951		211	211	488	(277)	-57%	1 951
Long service awards	578	486		97	97	101	(4)	-4%	486
Post-retirement benefit obligations	-	-					-		-
<b>Sub Total - Other Municipal Staff</b>	<b>124 165</b>	<b>140 707</b>	<b>-</b>	<b>32 039</b>	<b>32 039</b>	<b>33 758</b>	<b>(1 718)</b>	<b>-5%</b>	<b>140 707</b>
<b>% increase</b>		<b>13%</b>							<b>13%</b>
<b>Total Parent Municipality</b>	<b>154 764</b>	<b>173 085</b>	<b>-</b>	<b>39 375</b>	<b>39 375</b>	<b>41 778</b>	<b>(2 403)</b>	<b>-6%</b>	<b>173 085</b>
		<b>12%</b>							<b>12%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>154 764</b>	<b>173 085</b>	<b>-</b>	<b>39 375</b>	<b>39 375</b>	<b>41 778</b>	<b>(2 403)</b>	<b>-6%</b>	<b>173 085</b>
<b>% increase</b>		<b>12%</b>							<b>12%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>130 473</b>	<b>147 530</b>	<b>-</b>	<b>33 435</b>	<b>33 435</b>	<b>35 389</b>	<b>(1 954)</b>	<b>-6%</b>	<b>147 530</b>

This table provides the details for councilor and employee benefits. For the first quarter the total salaries, allowances and benefits amounted to R39, 375 million which deviates with R2, 403 million from the planned figure.

**Table SC9: Actual and Revised Targets for Cash Receipts**

Description	Budget Year 2019/20												2019/20 Medium Term Revenue		
	July Outcome	August Outcome	Sept Outcome	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year	Budget Year +1	Budget Year +2
<b>Cash Receipts By Source</b>															
Property rates	2 340	2 014	2 246	1 823	1 823	1 823	1 823	1 823	1 823	1 823	1 823	692	21 878	27 452	28 934
Service charges - electricity revenue	5 598	6 336	6 911	6 741	6 741	6 741	6 741	6 741	6 741	6 741	6 741	14 610	87 380	86 220	90 876
Service charges - water revenue															
Service charges - sanitation revenue															
Service charges - refuse	428	406	338	335	335	335	335	335	335	335	335	168	4 018	4 596	4 844
Rental of facilities and equipment	17	188	59	59	59	59	59	59	59	59	59	(29)	705	721	760
Interest earned - external investments	425	456	233	245	245	245	245	245	245	245	245	(132)	2 946	3 105	3 272
Interest earned - outstanding debtors	150	133	127	76	76	76	76	76	76	76	76	(104)	915	1 484	1 564
Dividends received															
Fines, penalties and forfeits				800	800	800	800	800	800	800	800	3 201	9 602	10 120	10 667
Licences and permits	475	481	456	456	456	456	456	456	456	456	456	412	5 470	5 766	6 077
Agency services															
Transfer receipts - operating	112 431	2 235		23 135	23 135	23 135	23 135	23 135	23 135	23 135	23 135	(27 127)	272 618	291 737	314 255
Other revenue	1 285	1 215	2 271	139	139	139	139	139	139	139	139	(4 216)	1 664	1 754	1 849
<b>Cash Receipts by Source</b>	<b>123 149</b>	<b>13 464</b>	<b>12 640</b>	<b>33 809</b>	<b>33 809</b>	<b>33 809</b>	<b>33 809</b>	<b>33 809</b>	<b>33 809</b>	<b>33 809</b>	<b>33 809</b>	<b>(12 526)</b>	<b>407 197</b>	<b>432 954</b>	<b>463 098</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	30 967			6 160	6 160	6 160	6 160	6 160	6 160	6 160	6 160	(6 327)	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									(630)	(400)	(350)	(300)
Receipt of non-current debtors			4 651									(4 651)			
Receipt of non-current receivables															
Change in non-current investments															
<b>Total Cash Receipts by Source</b>	<b>154 172</b>	<b>13 577</b>	<b>17 352</b>	<b>39 969</b>	<b>39 969</b>	<b>39 969</b>	<b>39 969</b>	<b>39 969</b>	<b>39 969</b>	<b>39 969</b>	<b>39 969</b>	<b>(24 134)</b>	<b>480 718</b>	<b>506 838</b>	<b>538 571</b>
<b>Cash Payments by Type</b>															
Employee related costs	11 243	11 085	11 107	12 609	12 609	12 609	12 609	12 609	12 609	12 609	12 609	13 225	147 530	157 231	165 564
Remuneration of councillors	1 936	1 903	2 102	2 130	2 130	2 130	2 130	2 130	2 130	2 130	2 130	2 578	25 554	27 266	28 093
Interest paid	255			207	207	207	207	207	207	207	207	590	2 505	1 141	53
Bulk purchases - Electricity	85	8 918	9 123	6 382	6 382	6 382	6 382	6 382	6 382	6 382	6 382	11 756	80 941	93 406	107 884
Bulk purchases - Water & Sewer															
Other materials	289	598	990	773	773	773	773	773	773	773	773	1 057	9 120	9 612	9 831
Contracted services	7 339	3 265	7 503	4 990	4 990	4 990	4 990	4 990	4 990	4 990	4 990	(1 761)	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	312	312	312	312	312	312	312	312	(3 080)			
General expenses	6 799	3 168	4 748	4 247	4 247	4 247	4 247	4 247	4 247	4 247	4 247	(6 135)	42 552	40 284	40 150
<b>Cash Payments by Type</b>	<b>28 163</b>	<b>29 164</b>	<b>35 715</b>	<b>31 650</b>	<b>31 650</b>	<b>31 650</b>	<b>31 650</b>	<b>31 650</b>	<b>31 650</b>	<b>31 650</b>	<b>31 650</b>	<b>21 970</b>	<b>368 211</b>	<b>391 346</b>	<b>417 660</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	1 421	9 187	5 542	6 452	6 452	6 452	6 452	6 452	6 452	6 452	6 452	20 234	88 001	89 158	88 783
Repayment of borrowing	754	763	771	807	807	807	807	807	807	807	807	940	9 686	11 050	2 504
Other Cash Flows/Payments	38 713	6 411		838	838	838	838	838	838	838	838	(41 773)	10 055	13 000	15 000
<b>Total Cash Payments by Type</b>	<b>69 053</b>	<b>45 525</b>	<b>42 028</b>	<b>39 747</b>	<b>39 747</b>	<b>39 747</b>	<b>39 747</b>	<b>39 747</b>	<b>39 747</b>	<b>39 747</b>	<b>39 747</b>	<b>1 371</b>	<b>475 953</b>	<b>504 555</b>	<b>523 947</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>85 119</b>	<b>(31 948)</b>	<b>(24 677)</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>(25 505)</b>	<b>4 764</b>	<b>2 283</b>	<b>14 624</b>
Cash/cash equivalents at the month/year beginning:	24 177	109 296	77 348	52 671	52 893	53 115	53 337	53 558	53 780	54 002	54 224	54 445	24 177	28 941	31 224
Cash/cash equivalents at the month/year end:	109 296	77 348	52 671	52 893	53 115	53 337	53 558	53 780	54 002	54 224	54 445	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 Quarterly cash receipts reflect an amount of R185, 101 million and the total cash payment for the Quarter were R156, 606 million and this resulted in net decrease in cash held amounting to R24, 677 million. With cash and cash equivalent of R24, 177 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R52, 671 million.

**Table SC12: Capital Expenditure Trend**

Month	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
<b>Monthly expenditure performance trend</b>									
July	4 292	9 466		1 112	1 112	9 466	8 353	88%	1%
August	1 635	3 712		8 934	8 934	13 178	4 244	32%	9%
September	9 816	14 062		13 172	13 172	27 239	14 068	52%	14%
October	5 461	8 364				35 603	–		
November	6 413	8 687				44 290	–		
December	7 217	9 913				54 203	–		
January	2 762	8 429				62 632	–		
February	5 583	4 675				67 307	–		
March	2 500	10 432				77 739	–		
April	5 844	4 917				82 656	–		
May	8 105	5 184				87 840	–		
June	11 742	7 813				95 654	–		
<b>Total Capital expenditure</b>	<b>71 370</b>	<b>95 654</b>	<b>–</b>	<b>13 172</b>					

Supporting table SC12 provides information on the monthly trends for capital expenditure and this tables serves as a supporting table for table C5. In terms of this table the capital expenditure for the quarter amounts to R23, 218 million. The year to date capital budget is R49, 883 million that gives rise to underspending variance of R26, 665 million.

**Table SC13a: Quarterly Capital Expenditure on New Assets**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	47 545	53 043	-	9 202	9 202	18 043	8 841	49%	53 043
<b>Roads Infrastructure</b>	34 057	33 521	-	3 599	3 599	10 514	6 915	66%	33 521
Roads	34 057	33 521		3 599	3 599	10 514	6 915	66%	33 521
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Drainage Collection							-		
<b>Electrical Infrastructure</b>	13 487	19 522	-	5 604	5 604	7 530	1 926	26%	19 522
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	13 487	19 522		5 604	5 604	7 530	1 926	26%	19 522
<b>Solid Waste Infrastructure</b>	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
Waste Processing Facilities							-		
<b>Community Assets</b>	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria							-		
Police							-		
<b>Other assets</b>	4 947	900	-	-	-	33	33	100%	900
Operational Buildings	4 947	900	-	-	-	33	33	100%	900
Municipal Offices	4 947	900		-	-	33	33	100%	900
Pay/Enquiry Points							-		
Building Plan Offices							-		
Workshops							-		
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Water Rights							-		
<b>Computer Equipment</b>	1 000	500	-	-	-	209	209	100%	500
Computer Equipment	1 000	500		-	-	209	209	100%	500
<b>Furniture and Office Equipment</b>	400	400	-	-	-	317	317	100%	400
Furniture and Office Equipment	400	400		-	-	317	317	100%	400
<b>Machinery and Equipment</b>	300	2 326	-	187	187	1 259	1 073	85%	2 326
Machinery and Equipment	300	2 326		187	187	1 259	1 073	85%	2 326
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on new assets</b>	54 192	57 169	-	9 389	9 389	19 862	10 473	53%	57 169

**Table SC13b: Quarterly Expenditure on Existing Assets**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on renewal of existing assets by Asset Class</b>									
<b>Infrastructure</b>	40 944	21 663	-	370	370	2 665	2 295	86%	21 663
<b>Roads Infrastructure</b>	40 944	21 663	-	370	370	2 665	2 295	86%	21 663
Roads	40 944	21 663		370	370	2 665	2 295	86%	21 663
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks							-		
<b>Solid Waste Infrastructure</b>	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
<b>Community Assets</b>	522	-	-	-	-	-	-		-
Community Facilities	522	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria	522	-	-	-	-	-	-		-
Police							-		
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
<b>Other assets</b>	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices							-		
Workshops							-		
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>41 466</b>	<b>21 663</b>	<b>-</b>	<b>370</b>	<b>370</b>	<b>2 665</b>	<b>2 295</b>	<b>86.1%</b>	<b>21 663</b>

**Table SC13c: Quarterly Expenditure on Repairs & Maintenance**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Repairs and maintenance expenditure by Asset Class</b>									
<b>Infrastructure</b>	6 704	6 756	-	582	582	2 452	1 870	76%	6 756
<b>Roads Infrastructure</b>	2 000	2 000	-	62	62	1 000	938	94%	2 000
Roads	2 000	2 000		62	62	1 000	938	94%	2 000
Road Structures							-		
Road Furniture							-		
<b>Electrical Infrastructure</b>	1 000	1 052	-	212	212	526	314	60%	1 052
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	1 000	1 052		212	212	526	314	60%	1 052
<b>Solid Waste Infrastructure</b>	3 704	3 704	-	309	309	926	617	67%	3 704
Landfill Sites	3 704	3 704		309	309	926	617	67%	3 704
Waste Transfer Stations							-		
<b>Other assets</b>	1 000	1 052	-	188	188	526	338	64%	1 052
Operational Buildings	1 000	1 052	-	188	188	526	338	64%	1 052
Municipal Offices	1 000	1 052		188	188	526	338	64%	1 052
Workshops							-		
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Solid Waste Licenses							-		
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	1 670	1 757	-	121	121	761	640	84%	1 757
Machinery and Equipment	1 670	1 757		121	121	761	640	84%	1 757
<b>Transport Assets</b>	1 000	1 052	-	7	7	614	606	99%	1 052
Transport Assets	1 000	1 052		7	7	614	606	99%	1 052
<b>Total Repairs and Maintenance Expenditure</b>	<b>10 374</b>	<b>10 617</b>	<b>-</b>	<b>898</b>	<b>898</b>	<b>4 353</b>	<b>3 455</b>	<b>79%</b>	<b>10 617</b>

**Table SC13d: Quarterly Depreciation by Asset Class**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>34 653</b>	<b>39 133</b>	<b>-</b>	<b>-</b>	<b>9 299</b>	<b>9 299</b>	<b>9 299</b>	<b>100%</b>	<b>39 133</b>
<b>Roads Infrastructure</b>	<b>25 147</b>	<b>29 133</b>	<b>-</b>	<b>-</b>	<b>7 283</b>	<b>7 283</b>	<b>7 283</b>	<b>100%</b>	<b>29 133</b>
Roads	25 147	29 133			7 283	7 283	7 283	100%	29 133
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	3 712	3 905	-	-	492	492	492	100%	3 905
Storm water Conveyance	3 712	3 905			492	492	492	100%	3 905
Attenuation							-		
<b>Electrical Infrastructure</b>	<b>5 166</b>	<b>5 434</b>	<b>-</b>	<b>-</b>	<b>1 359</b>	<b>1 359</b>	<b>1 359</b>	<b>100%</b>	<b>5 434</b>
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors	5 166	5 434			1 359	1 359	1 359	100%	5 434
MV Networks							-		
<b>Solid Waste Infrastructure</b>	<b>629</b>	<b>662</b>	<b>-</b>	<b>-</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>100%</b>	<b>662</b>
Landfill Sites	629	662			165	165	165	100%	662
Waste Transfer Stations							-		
<b>Community Assets</b>	<b>2 918</b>	<b>3 070</b>	<b>-</b>	<b>-</b>	<b>768</b>	<b>768</b>	<b>768</b>	<b>100%</b>	<b>3 070</b>
Community Facilities	2 918	3 070	-	-	768	768	768	100%	3 070
Libraries							-		
Cemeteries/Crematoria	2 918	3 070			768	768	768	100%	3 070
Police							-		
<b>Other assets</b>	<b>2 180</b>	<b>2 293</b>	<b>-</b>	<b>-</b>	<b>573</b>	<b>573</b>	<b>573</b>	<b>0</b>	<b>2 293</b>
Operational Buildings	2 180	2 293	-	-	573	573	573	100%	2 293
Municipal Offices	2 180	2 293			573	573	573	100%	2 293
Workshops							-		
<b>Intangible Assets</b>	<b>378</b>	<b>398</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>33</b>	<b>33</b>	<b>100%</b>	<b>398</b>
Servitudes							-		
Licences and Rights	378	398	-	-	33	33	33	100%	398
Computer Software and Applications	378	398			33	33	33	100%	398
<b>Computer Equipment</b>	<b>1 518</b>	<b>1 597</b>	<b>-</b>	<b>-</b>	<b>399</b>	<b>399</b>	<b>399</b>	<b>100%</b>	<b>1 597</b>
Computer Equipment	1 518	1 597			399	399	399	100%	1 597
<b>Furniture and Office Equipment</b>	<b>3 817</b>	<b>4 015</b>	<b>-</b>	<b>-</b>	<b>1 004</b>	<b>1 004</b>	<b>1 004</b>	<b>100%</b>	<b>4 015</b>
Furniture and Office Equipment	3 817	4 015			1 004	1 004	1 004	100%	4 015
<b>Machinery and Equipment</b>	<b>2 175</b>	<b>2 288</b>	<b>-</b>	<b>-</b>	<b>572</b>	<b>572</b>	<b>572</b>	<b>100%</b>	<b>2 288</b>
Machinery and Equipment	2 175	2 288			572	572	572	100%	2 288
<b>Transport Assets</b>	<b>3 542</b>	<b>3 727</b>	<b>-</b>	<b>-</b>	<b>932</b>	<b>932</b>	<b>932</b>	<b>100%</b>	<b>3 727</b>
Transport Assets	3 542	3 727			932	932	932	100%	3 727
<b>Total Depreciation</b>	<b>51 181</b>	<b>56 520</b>	<b>-</b>	<b>-</b>	<b>13 580</b>	<b>13 580</b>	<b>13 580</b>	<b>100%</b>	<b>56 520</b>

**Table SC13e: Quarterly Capital Expenditure on upgrading of existing assets**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on upgrading of existing assets by Asset Class</b>									
<b>Infrastructure</b>	1 600	14 346	-	3 703	3 703	3 681	(22)	-1%	14 346
<b>Roads Infrastructure</b>	-	14 346	-	3 703	3 703	3 681	(22)	-1%	14 346
Roads		14 346		3 703	3 703	3 681	(22)	-1%	14 346
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Storm water Conveyance							-		
Attenuation							-		
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks							-		
<b>Solid Waste Infrastructure</b>	1 600	-	-	-	-	-	-		-
Landfill Sites	1 600	-	-	-	-	-	-		-
Waste Transfer Stations							-		
<b>Community Assets</b>	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria							-		
Police							-		
<b>Other assets</b>	-	2 476	-	-	-	1 031	1 031	0	2 476
Operational Buildings	-	2 476	-	-	-	1 031	1 031	100%	2 476
Municipal Offices	-	2 476	-	-	-	1 031	1 031	100%	2 476
Workshops							-		
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>1 600</b>	<b>16 822</b>	<b>-</b>	<b>3 703</b>	<b>3 703</b>	<b>4 712</b>	<b>1 009</b>	<b>21%</b>	<b>16 822</b>

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 capital expenditure on new assets amounted to R9, 389 million for the first quarter which reflects a 53% variance when compared to the quarterly target.

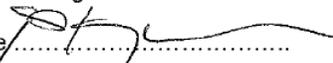
For renewal and upgrading of existing assets to R 370 thousand has been spent during the quarter on renewal of assets. This reflects 86.1% variance when compared to the target.

The repairs and maintenance for the quarter amounted to R 898 thousand reflecting a 79% variance when compared to the first quarter target.

# Quality certificate

I **KGWALE MAHLAGAUME MESHACK**, Acting Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the quarterly report and supporting documentation for the quarter ending 30 September 2019 have been prepared in accordance with the Municipal Finance Management Act and the regulation made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature 

Date 11/10/2019

**Elias Motsoaledi Local  
Municipality**  
11 OCT 2019  
**Municipal Manager**