

# ELIAS MOTSOLEDI LOCAL MUNICIPALITY



## SECTION 52 REPORT: 2020/21

REPORTING PERIOD: THIRD 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**

DESCRIPTION	2020/21			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	531,567,983	525,270,477	468,619,462	89%
OPERATING EXPENDITURE	512,448,796	516,327,989	301,159,448	58%
TRANSFER - CAPITAL	74,561,000	69,561,000	58,264,837	84%
SURPLUS/(DEFICIT)	93,680,187	78,503,488	225,724,851	288%
CAPITAL EXPENDITURE	89,279,520	88,376,820	61,260,289	69%

**Table C1: Quarterly Budget Statement Summary**

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Financial Performance</b>									
Property rates	35,773	38,345	38,345	9,968	29,607	30,439	(831)	-3%	38,345
Service charges	95,493	110,873	99,873	25,930	74,376	75,182	(806)	-1%	99,873
Investment revenue	2,068	3,042	542	113	339	225	113	50%	542
Transfers and subsidies	273,218	293,916	351,806	73,829	345,668	350,508	(4,840)	-1%	351,806
Other own revenue	32,632	85,393	34,705	7,087	18,629	29,091	(10,462)	-36%	34,705
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>439,184</b>	<b>531,568</b>	<b>525,270</b>	<b>116,928</b>	<b>468,619</b>	<b>485,445</b>	<b>(16,826)</b>	<b>-3%</b>	<b>525,270</b>
Employee costs	141,837	169,749	159,477	37,376	116,066	118,252	(2,186)	-2%	159,477
Remuneration of Councillors	24,575	26,525	26,283	6,061	18,218	18,218	-		26,283
Depreciation & asset impairment	56,343	55,163	57,163	-	-	-	-		57,163
Finance charges	3,538	1,184	2,633	405	2,503	2,582	(78)	-3%	2,633
Materials and bulk purchases	93,140	111,976	120,437	28,369	76,336	78,951	(2,615)	-3%	120,437
Transfers and subsidies	2,984	3,468	3,642	715	2,368	2,318	50	2%	3,642
Other expenditure	142,158	144,385	146,692	28,487	85,669	88,642	(2,973)	-3%	146,692
<b>Total Expenditure</b>	<b>464,574</b>	<b>512,449</b>	<b>516,328</b>	<b>101,413</b>	<b>301,159</b>	<b>308,962</b>	<b>(7,803)</b>	<b>-3%</b>	<b>516,328</b>
<b>Surplus/(Deficit)</b>	<b>(25,390)</b>	<b>19,119</b>	<b>8,942</b>	<b>15,515</b>	<b>167,460</b>	<b>176,483</b>	<b>(9,023)</b>	<b>-5%</b>	<b>8,942</b>
Transfers and subsidies - capital (monetary allocations)	70,685	74,561	69,561	23,978	58,265	69,561	(11,296)	-16%	69,561
Transfers and subsidies - capital (monetary allocations)	21,471	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>66,766</b>	<b>93,680</b>	<b>78,503</b>	<b>39,493</b>	<b>225,725</b>	<b>246,044</b>	<b>(20,319)</b>	<b>-8%</b>	<b>78,503</b>
<b>Surplus/ (Deficit) for the year</b>	<b>66,766</b>	<b>93,680</b>	<b>78,503</b>	<b>39,493</b>	<b>225,725</b>	<b>246,044</b>	<b>(20,319)</b>	<b>-8%</b>	<b>78,503</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>92,168</b>	<b>89,280</b>	<b>88,377</b>	<b>23,441</b>	<b>61,260</b>	<b>64,423</b>	<b>(3,162)</b>	<b>-5%</b>	<b>88,377</b>
Capital transfers recognised	78,193	74,561	69,561	21,704	51,041	53,998	(2,957)	-5%	69,561
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	13,975	14,719	18,816	1,737	10,220	10,425	(206)	-2%	18,816
<b>Total sources of capital funds</b>	<b>92,168</b>	<b>89,280</b>	<b>88,377</b>	<b>23,441</b>	<b>61,260</b>	<b>64,423</b>	<b>(3,162)</b>	<b>-5%</b>	<b>88,377</b>
<b>Financial position</b>									
Total current assets	129,467	134,416	119,868		290,338				119,868
Total non current assets	1,125,020	1,286,031	1,290,074		1,172,415				1,290,074
Total current liabilities	125,568	93,706	92,781		125,983				92,781
Total non current liabilities	79,251	94,548	94,548		73,611				94,548
Community wealth/Equity	1,049,667	1,232,193	1,222,613		1,263,159				1,222,613
<b>Cash flows</b>									
Net cash from (used) operating	25,247	108,434	124,956	18,810	156,409	170,125	13,716	8%	124,956
Net cash from (used) investing	(85,303)	(87,593)	(87,918)	(23,441)	(61,260)	(64,423)	(3,162)	5%	(87,918)
Net cash from (used) financing	(9,474)	(11,480)	(11,480)	(2,778)	(8,130)	(8,607)	(478)	6%	(11,480)
<b>Cash/cash equivalents at the month/year end</b>	<b>(44,548)</b>	<b>20,356</b>	<b>36,552</b>	<b>-</b>	<b>88,948</b>	<b>108,089</b>	<b>19,141</b>	<b>18%</b>	<b>27,487</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
Debtors Age Analysis									
Total By Income Source	13,993	4,573	3,268	3,185	3,034	2,846	14,090	87,037	132,026
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

## **Revenue**

For the third quarter of January to March 2021, the year to date actual amounted to R468, 619 million. Of the total revenue received during the third quarter, the major portion of R342, 777 million is from equitable share. Other receipts are from property rates, service charges and other grants.

## **Operating Expenditure**

The operating expenditure for the third quarter amounts to R301, 159 million with the year to date budget of R308, 962 million which shows negative 3% 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 third quarter amounts to R61, 260 million and the year to date budget amounts to R64, 423 million and this deviates with negative 5% when compared to year to date target.

## **Surplus/Deficit**

Taking the above into consideration the net operating surplus for the third quarter ending 31 March 2021 amounts to R225, 724 million.

## **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of March amounts to R132, 026 million and this shows an increase of R23, 788 million as compared to R108, 238 million as at end of 2019/20 financial year. This increase portrays declining revenue collection of the municipality as the lesser the collection rate the more the increase in consumer debtors.

Consumer debtors is made up of service charges and property rates that amount to R84, 908 million and other debtors amounting to R47, 118 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**

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	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	<b>223,026</b>	<b>228,630</b>	<b>277,913</b>	<b>57,194</b>	<b>257,548</b>	<b>264,271</b>	<b>(6,723)</b>	<b>-3%</b>	<b>277,913</b>
Executive and council	46,559	49,315	55,860	11,243	56,129	55,860	269	0%	55,860
Finance and administration	167,516	169,450	208,065	43,485	187,988	194,423	(6,434)	-3%	208,065
Internal audit	8,950	9,864	13,988	2,466	13,430	13,988	(558)	-4%	13,988
<b>Community and public safety</b>	<b>36,265</b>	<b>94,154</b>	<b>37,006</b>	<b>9,980</b>	<b>29,539</b>	<b>37,328</b>	<b>(7,789)</b>	<b>-21%</b>	<b>37,006</b>
Community and social services	9,633	10,636	11,376	5,799	11,490	11,376	114	1%	11,376
Sport and recreation	12,104	13,344	15,456	4,054	17,675	15,456	2,219	14%	15,456
Public safety	14,529	70,174	10,174	127	373	10,496	(10,122)	-96%	10,174
<b>Economic and environmental services</b>	<b>132,942</b>	<b>121,857</b>	<b>130,832</b>	<b>38,972</b>	<b>123,560</b>	<b>129,018</b>	<b>(5,457)</b>	<b>-4%</b>	<b>130,832</b>
Planning and development	21,248	23,604	26,971	8,621	29,749	26,620	3,130	12%	26,971
Road transport	110,541	96,853	100,627	30,351	92,194	99,164	(6,970)	-7%	100,627
Environmental protection	1,153	1,400	3,234	-	1,617	3,234	(1,617)	-50%	3,234
<b>Trading services</b>	<b>139,107</b>	<b>161,488</b>	<b>149,081</b>	<b>34,760</b>	<b>116,237</b>	<b>124,389</b>	<b>(8,152)</b>	<b>-7%</b>	<b>149,081</b>
Energy sources	110,981	130,709	114,001	28,910	84,499	91,571	(7,072)	-8%	114,001
Waste management	28,126	30,779	35,080	5,849	31,738	32,819	(1,080)	-3%	35,080
<b>Total Revenue - Functional</b>	<b>531,340</b>	<b>606,129</b>	<b>594,831</b>	<b>140,906</b>	<b>526,884</b>	<b>555,006</b>	<b>(28,122)</b>	<b>-5%</b>	<b>594,831</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>210,068</b>	<b>216,242</b>	<b>221,947</b>	<b>48,092</b>	<b>149,027</b>	<b>151,599</b>	<b>(2,571)</b>	<b>-2%</b>	<b>221,947</b>
Executive and council	50,877	49,314	45,093	10,063	30,316	30,588	(272)	-1%	45,093
Finance and administration	152,835	158,383	169,754	34,924	114,343	117,084	(2,741)	-2%	169,754
Internal audit	6,356	8,545	7,099	3,105	4,368	3,927	441	11%	7,099
<b>Community and public safety</b>	<b>25,269</b>	<b>61,707</b>	<b>45,423</b>	<b>7,183</b>	<b>22,155</b>	<b>24,454</b>	<b>(2,299)</b>	<b>-9%</b>	<b>45,423</b>
Community and social services	5,097	8,269	8,789	1,374	4,487	5,320	(834)	-16%	8,789
Sport and recreation	6,833	10,698	10,206	1,772	5,467	6,444	(977)	-15%	10,206
Public safety	13,339	42,740	26,428	4,037	12,201	12,689	(488)	-4%	26,428
<b>Economic and environmental services</b>	<b>91,700</b>	<b>97,667</b>	<b>98,963</b>	<b>14,152</b>	<b>37,960</b>	<b>39,453</b>	<b>(1,493)</b>	<b>-4%</b>	<b>98,963</b>
Planning and development	14,923	16,561	13,821	2,863	9,218	9,600	(383)	-4%	13,821
Road transport	76,178	80,487	84,515	11,136	28,261	29,371	(1,110)	-4%	84,515
Environmental protection	598	619	626	153	482	482	0	0%	626
<b>Trading services</b>	<b>137,538</b>	<b>136,832</b>	<b>149,995</b>	<b>31,986</b>	<b>92,017</b>	<b>93,457</b>	<b>(1,440)</b>	<b>-2%</b>	<b>149,995</b>
Energy sources	93,187	111,667	116,490	25,126	70,643	71,810	(1,167)	-2%	116,490
Waste management	44,351	25,165	33,505	6,860	21,374	21,647	(273)	-1%	33,505
<b>Total Expenditure - Functional</b>	<b>464,574</b>	<b>512,449</b>	<b>516,328</b>	<b>101,413</b>	<b>301,159</b>	<b>308,962</b>	<b>(7,803)</b>	<b>-3%</b>	<b>516,328</b>
<b>Surplus/ (Deficit) for the year</b>	<b>66,766</b>	<b>93,680</b>	<b>78,503</b>	<b>39,493</b>	<b>225,725</b>	<b>246,044</b>	<b>(20,319)</b>	<b>-8%</b>	<b>78,503</b>

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

Vote Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	41,231	43,443	49,146	7,817	49,347	49,146	200	0%	49,146
Vote 2 - Municipal Manager	35,643	39,284	48,377	13,197	47,408	48,377	(969)	-2%	48,377
Vote 3 - Budget & Treasury	72,301	66,279	82,337	21,720	68,809	71,266	(2,457)	-3%	82,337
Vote 4 - Corporate Services	40,504	44,328	53,656	10,566	51,220	53,681	(2,461)	-5%	53,656
Vote 5 - Community Services	69,521	135,511	82,668	18,920	69,409	85,823	(16,415)	-19%	82,668
Vote 6 - Technical Services	239,261	241,319	234,888	61,715	196,666	203,304	(6,638)	-3%	234,888
Vote 7 - Developmental Planning	14,650	16,332	18,658	4,379	21,351	18,307	3,044	17%	18,658
Vote 8 - Executive Support	18,229	19,633	25,102	2,592	22,675	25,102	(2,427)	-10%	25,102
<b>Total Revenue by Vote</b>	<b>531,340</b>	<b>606,129</b>	<b>594,831</b>	<b>140,906</b>	<b>526,884</b>	<b>555,006</b>	<b>(28,122)</b>	<b>-5%</b>	<b>594,831</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	42,975	41,789	40,511	9,153	27,195	27,399	(204)	-1%	40,511
Vote 2 - Municipal Manager	49,330	39,198	44,072	12,043	34,727	34,226	501	1%	44,072
Vote 3 - Budget & Treasury	55,077	62,769	67,880	12,128	45,354	46,532	(1,178)	-3%	67,880
Vote 4 - Corporate Services	24,723	36,795	27,703	4,513	13,938	16,133	(2,195)	-14%	27,703
Vote 5 - Community Services	77,292	96,097	87,405	16,057	49,862	52,423	(2,561)	-5%	87,405
Vote 6 - Technical Services	186,065	207,387	217,613	40,328	107,528	108,786	(1,258)	-1%	217,613
Vote 7 - Developmental Planning	8,942	11,455	8,892	1,619	5,466	6,033	(567)	-9%	8,892
Vote 8 - Executive Support	20,169	16,960	22,253	5,573	17,089	17,431	(342)	-2%	22,253
<b>Total Expenditure by Vote</b>	<b>464,574</b>	<b>512,449</b>	<b>516,328</b>	<b>101,413</b>	<b>301,159</b>	<b>308,962</b>	<b>(7,803)</b>	<b>-3%</b>	<b>516,328</b>
<b>Surplus/ (Deficit) for the year</b>	<b>66,766</b>	<b>93,680</b>	<b>78,503</b>	<b>39,493</b>	<b>225,725</b>	<b>246,044</b>	<b>(20,319)</b>	<b>-8%</b>	<b>78,503</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	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue By Source</b>									
Property rates	35,773	38,345	38,345	9,968	29,607	30,439	(831)	-3%	38,345
Service charges - electricity revenue	87,068	101,945	90,945	23,700	67,715	68,515	(800)	-1%	90,945
Service charges - refuse revenue	8,425	8,928	8,928	2,231	6,661	6,667	(6)	0%	8,928
Rental of facilities and equipment	897	1,220	834	411	718	834	(116)	-14%	834
Interest earned - external investments	2,068	3,042	542	113	339	225	113	50%	542
Interest earned - outstanding debtors	12,170	6,656	17,946	4,168	12,501	13,039	(539)	-4%	17,946
Fines, penalties and forfeits	14,570	70,242	10,242	383	564	10,578	(10,015)	-95%	10,242
Licences and permits	3,939	6,344	5,044	1,210	3,579	3,567	13	0%	5,044
Transfers and subsidies	273,218	293,916	351,806	73,829	345,668	350,508	(4,840)	-1%	351,806
Other revenue	1,056	931	639	916	1,267	1,072	195	18%	639
Gains	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>439,184</b>	<b>531,568</b>	<b>525,270</b>	<b>116,928</b>	<b>468,619</b>	<b>485,445</b>	<b>(16,826)</b>	<b>-3%</b>	<b>525,270</b>
<b>Expenditure By Type</b>									
Employee related costs	141,837	169,749	159,477	37,376	116,066	118,252	(2,186)	-2%	159,477
Remuneration of councillors	24,575	26,525	26,283	6,061	18,218	18,218	-	-	26,283
Debt impairment	13,246	42,658	19,858	-	-	-	-	-	19,858
Depreciation & asset impairment	56,343	55,163	57,163	-	-	-	-	-	57,163
Finance charges	3,538	1,184	2,633	405	2,503	2,582	(78)	-3%	2,633
Bulk purchases	81,428	94,047	94,047	20,424	61,397	61,795	(398)	-1%	94,047
Other materials	11,713	17,929	26,390	7,946	14,939	17,156	(2,217)	-13%	26,390
Contracted services	83,969	60,660	78,622	20,999	55,989	56,982	(993)	-2%	78,622
Transfers and subsidies	2,984	3,468	3,642	715	2,368	2,318	50	2%	3,642
Other expenditure	46,003	41,067	48,213	7,488	29,680	31,659	(1,980)	-6%	48,213
Losses	(1,060)	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>464,574</b>	<b>512,449</b>	<b>516,328</b>	<b>101,413</b>	<b>301,159</b>	<b>308,962</b>	<b>(7,803)</b>	<b>-3%</b>	<b>516,328</b>
<b>Surplus/(Deficit)</b>	<b>(25,390)</b>	<b>19,119</b>	<b>8,942</b>	<b>15,515</b>	<b>167,460</b>	<b>176,483</b>	<b>(9,023)</b>	<b>-5%</b>	<b>8,942</b>
Transfers and subsidies - capital (monetary allocations)	70,685	74,561	69,561	23,978	58,265	69,561	(11,296)	-16%	69,561
Transfers and subsidies - capital (monetary allocations)	21,471	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>66,766</b>	<b>93,680</b>	<b>78,503</b>	<b>39,493</b>	<b>225,725</b>	<b>246,044</b>			<b>78,503</b>
Taxation									
<b>Surplus/(Deficit) after taxation</b>	<b>66,766</b>	<b>93,680</b>	<b>78,503</b>	<b>39,493</b>	<b>225,725</b>	<b>246,044</b>			<b>78,503</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>66,766</b>	<b>93,680</b>	<b>78,503</b>	<b>39,493</b>	<b>225,725</b>	<b>246,044</b>			<b>78,503</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>66,766</b>	<b>93,680</b>	<b>78,503</b>	<b>39,493</b>	<b>225,725</b>	<b>246,044</b>			<b>78,503</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.

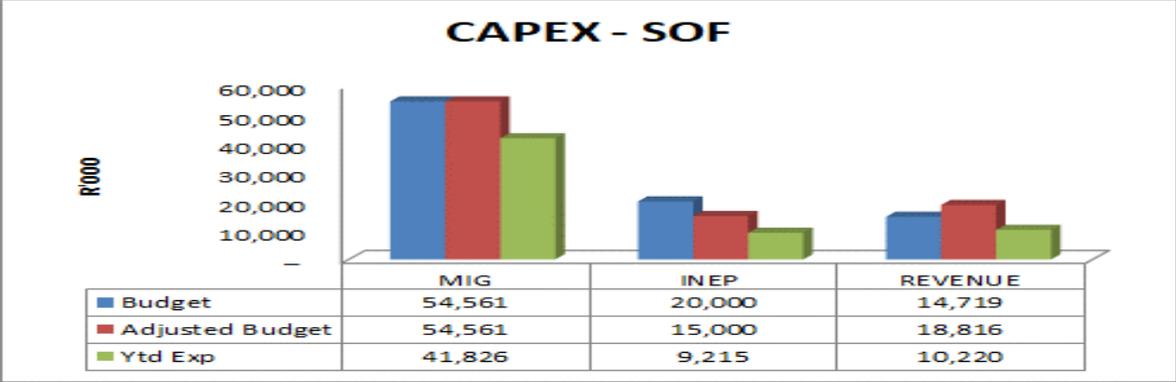
**Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding**

Vote Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	1,957	1,900	1,454	37	506	651	(146)	-22%	1,454
Executive and council							-		
Finance and administration	1,957	1,900	1,454	37	506	651	(146)	-22%	1,454
Internal audit							-		
<b>Community and public safety</b>	-	2,200	2,290	297	325	354	(28)	-8%	2,290
Community and social services		600	720	-	-	79	(79)	-100%	720
Sport and recreation		1,000	800	297	325	275	51	18%	800
Public safety		600	770	-	-	-	-		770
Housing							-		
Health							-		
<b>Economic and environmental services</b>	69,833	64,830	69,633	20,958	51,214	52,876	(1,662)	-3%	69,633
Planning and development							-		
Road transport	69,833	64,830	69,633	20,958	51,214	52,876	(1,662)	-3%	69,633
Environmental protection							-		
<b>Trading services</b>	20,378	20,350	15,000	2,150	9,215	10,542	(1,326)	-13%	15,000
Energy sources	18,954	20,350	15,000	2,150	9,215	10,542	(1,326)	-13%	15,000
Waste management	1,424	-		-	-	-	-		-
Other							-		
<b>Total Capital Expenditure - Functional Classification</b>	<b>92,168</b>	<b>89,280</b>	<b>88,377</b>	<b>23,441</b>	<b>61,260</b>	<b>64,423</b>	<b>(3,162)</b>	<b>-5%</b>	<b>88,377</b>
<b>Funded by:</b>									
National Government	56,721	74,561	69,561	21,704	51,041	53,998	(2,957)	-5%	69,561
Provincial Government	21,471	-					-		-
District Municipality							-		
Transfers and subsidies - capital (monetary allocations)							-		
<b>Transfers recognised - capital</b>	<b>78,193</b>	<b>74,561</b>	<b>69,561</b>	<b>21,704</b>	<b>51,041</b>	<b>53,998</b>	<b>(2,957)</b>	<b>-5%</b>	<b>69,561</b>
Borrowing							-		
Internally generated funds	13,975	14,719	18,816	1,737	10,220	10,425	(206)	-2%	18,816
<b>Total Capital Funding</b>	<b>92,168</b>	<b>89,280</b>	<b>88,377</b>	<b>23,441</b>	<b>61,260</b>	<b>64,423</b>	<b>(3,162)</b>	<b>-5%</b>	<b>88,377</b>

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

Vote Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	1,050	1,050	91	506	555	(49)	-9%	1,050
Vote 5 - Community Services	-	-	120	-	-	-	-	-	120
Vote 6 - Technical Services	46,151	13,240	8,629	730	7,964	8,162	(198)	-2%	8,629
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>46,151</b>	<b>14,290</b>	<b>9,799</b>	<b>821</b>	<b>8,470</b>	<b>8,717</b>	<b>(247)</b>	<b>-3%</b>	<b>9,799</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	350	350	-	-	43	(43)	-100%	350
Vote 4 - Corporate Services	633	500	54	(54)	-	54	(54)	-100%	54
Vote 5 - Community Services	1,424	2,200	2,170	297	325	354	(28)	-8%	2,170
Vote 6 - Technical Services	43,960	71,939	76,004	22,377	52,465	55,255	(2,790)	-5%	76,004
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>46,017</b>	<b>74,989</b>	<b>78,578</b>	<b>22,620</b>	<b>52,791</b>	<b>55,706</b>	<b>(2,915)</b>	<b>-5%</b>	<b>78,578</b>
<b>Total Capital Expenditure</b>	<b>92,168</b>	<b>89,280</b>	<b>88,377</b>	<b>23,441</b>	<b>61,260</b>	<b>64,423</b>	<b>(3,162)</b>	<b>-5%</b>	<b>88,377</b>

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. R62, 290 million spending was incurred on capital budget, year to date budget is R64, 423 million, and this gave rise to an under performance variance of R3, 162 million that translates to 5%.



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

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

Description	2019/20	Budget Year 2020/21			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	1,929	12,300	4,758	18,835	4,758
Call investment deposits	–	8,056	18,056	70,113	18,056
Consumer debtors	65,806	54,594	55,619	92,648	55,619
Other debtors	53,542	53,957	38,742	96,451	38,742
Current portion of long-term receivables	–	–	–	–	–
Inventory	8,190	5,510	2,693	12,290	2,693
<b>Total current assets</b>	<b>129,467</b>	<b>134,416</b>	<b>119,868</b>	<b>290,338</b>	<b>119,868</b>
<b>Non current assets</b>					
Long-term receivables	–	–	–	–	–
Investments	–	–	–	–	–
Investment property	60,324	48,000	48,000	60,343	48,000
Investments in Associate	–	–	–	–	–
Property, plant and equipment	1,048,853	1,223,249	1,227,292	1,110,114	1,227,292
Biological	–	–	–	–	–
Intangible	31	30	30	31	30
Other non-current assets	15,811	14,752	14,752	1,928	14,752
<b>Total non current assets</b>	<b>1,125,020</b>	<b>1,286,031</b>	<b>1,290,074</b>	<b>1,172,415</b>	<b>1,290,074</b>
<b>TOTAL ASSETS</b>	<b>1,254,487</b>	<b>1,420,447</b>	<b>1,409,942</b>	<b>1,462,754</b>	<b>1,409,942</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	–	–	–	–	–
Borrowing	10,975	10,980	10,980	7,483	10,980
Consumer deposits	5,516	5,701	5,701	5,710	5,701
Trade and other payables	106,573	71,167	70,243	110,036	70,243
Provisions	2,504	5,857	5,857	2,754	5,857
<b>Total current liabilities</b>	<b>125,568</b>	<b>93,706</b>	<b>92,781</b>	<b>125,983</b>	<b>92,781</b>
<b>Non current liabilities</b>					
Borrowing	2,444	–	–	–	–
Provisions	76,807	94,548	94,548	73,611	94,548
<b>Total non current liabilities</b>	<b>79,251</b>	<b>94,548</b>	<b>94,548</b>	<b>73,611</b>	<b>94,548</b>
<b>TOTAL LIABILITIES</b>	<b>204,819</b>	<b>188,254</b>	<b>187,329</b>	<b>199,594</b>	<b>187,329</b>
<b>NET ASSETS</b>	<b>1,049,667</b>	<b>1,232,193</b>	<b>1,222,613</b>	<b>1,263,159</b>	<b>1,222,613</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	1,049,667	1,232,193	1,212,613	1,253,159	1,212,613
Reserves	–	–	10,000	10,000	10,000
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1,049,667</b>	<b>1,232,193</b>	<b>1,222,613</b>	<b>1,263,159</b>	<b>1,222,613</b>

The above table shows that community wealth amounts to R1, 263 billion, total liabilities R199, 594 million and the total assets R1, 462 billion. Non-current liabilities are mainly made up of provisions for long service award, landfill site and bonus.

Total current assets appear to be fairly reasonable relative to total current liabilities and this as a result portray a much better picture of the municipality's current ratio of 2.3:1 which is within the acceptable norm of 2:1.

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

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	24,332	26,841	26,841	5,524	18,028	26,118	(8,090)	-31%	26,841
Service charges	83,646	94,138	85,338	23,726	64,939	65,127	(189)	0%	85,338
Other revenue	21,376	20,268	8,968	16,611	28,925	29,383	(458)	-2%	8,968
Transfers and Subsidies - Operational	273,214	293,916	351,806	72,764	347,058	349,896	(2,838)	-1%	351,806
Transfers and Subsidies - Capital	73,921	74,561	69,561	9,611	69,561	69,561	-		69,561
Interest	1,768	4,373	11,979	423	1,057	2,506	(1,449)	-58%	11,979
<b>Payments</b>									
Suppliers and employees	(447,788)	(401,012)	(423,262)	(108,728)	(368,288)	(367,569)	719	0%	(423,262)
Finance charges	(2,592)	(1,184)	(2,633)	(405)	(2,503)	(2,645)	(142)	5%	(2,633)
Transfers and Grants	(2,632)	(3,468)	(3,642)	(715)	(2,368)	(2,252)	116	-5%	(3,642)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>25,247</b>	<b>108,434</b>	<b>124,956</b>	<b>18,810</b>	<b>156,409</b>	<b>170,125</b>	<b>13,716</b>	<b>8%</b>	<b>124,956</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(85,303)	(87,593)	(87,918)	(23,441)	(61,260)	(64,423)	(3,162)	5%	(87,918)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(85,303)</b>	<b>(87,593)</b>	<b>(87,918)</b>	<b>(23,441)</b>	<b>(61,260)</b>	<b>(64,423)</b>	<b>(3,162)</b>	<b>5%</b>	<b>(87,918)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	(500)	(500)	-	-	(281)	281	-100%	(500)
Increase (decrease) in consumer deposits	196	-	-	-	-	-	-	-	-
<b>Payments</b>									
Repayment of borrowing	(9,670)	(10,980)	(10,980)	(2,778)	(8,130)	(8,326)	(197)	2%	(10,980)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(9,474)</b>	<b>(11,480)</b>	<b>(11,480)</b>	<b>(2,778)</b>	<b>(8,130)</b>	<b>(8,607)</b>	<b>(478)</b>	<b>6%</b>	<b>(11,480)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(69,530)</b>	<b>9,361</b>	<b>25,558</b>	<b>(7,409)</b>	<b>87,019</b>	<b>97,095</b>			<b>25,558</b>
Cash/cash equivalents at beginning:	24,982	10,995	10,995		1,929	10,995			1,929
Cash/cash equivalents at month/year end:	(44,548)	20,356	36,552		88,948	108,089			27,487

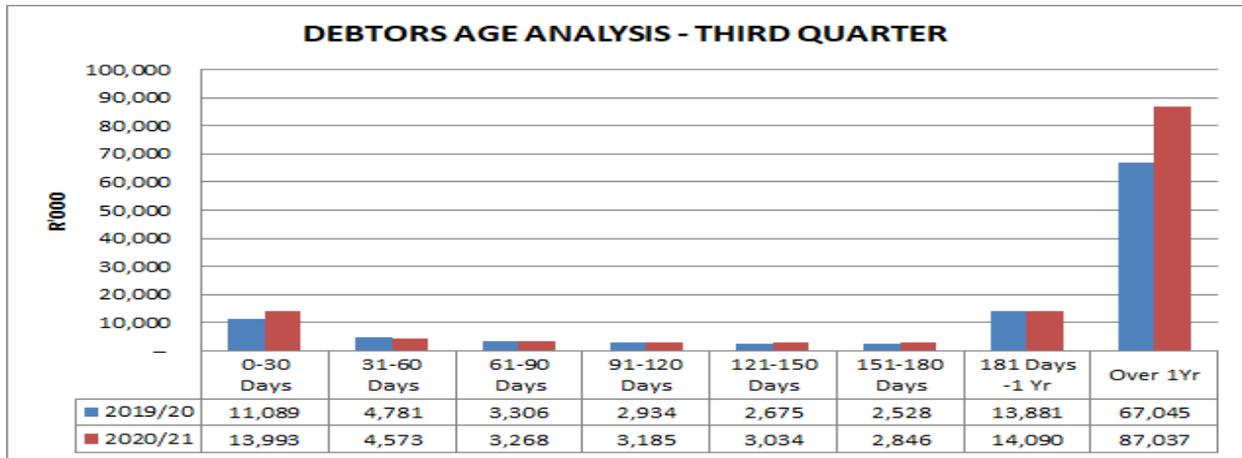
Table C7 provides details of the monthly cash in and outflow. For the quarter ending 31 March 2021 the net cash from operating activities is R156, 409 million whilst cash used for investing activities is R61, 290 million and the net cash from financing activities is R8, 130 million. The cash and cash equivalent held at end of the third quarter amounted to R88, 948 million.

## PART 2: SUPPORTING TABLES

### Table SC3: Debtors Analysis

Description	Budget Year 2020/21											
	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	Bad Debts Written Off	Impairment - Bad Debts
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Electricity	7,512	949	132	203	91	96	190	3,174	12,346	3,754		
Receivables from Non-exchange Transactions - Property Rates	3,386	1,508	1,326	1,283	1,257	1,165	6,096	37,573	53,594	47,374		
Receivables from Exchange Transactions - Waste Management	750	481	414	408	405	402	2,248	12,469	17,576	15,931		
Receivables from Exchange Transactions - Property Rental Debtors	177	148	17	17	17	9	30	977	1,392	1,050		
Interest on Arrear Debtor Accounts	1,447	1,391	1,343	1,306	1,284	1,250	6,809	29,786	44,617	40,436		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-		
Other	722	98	36	(32)	(21)	(76)	(1,282)	3,057	2,501	1,646		
<b>Total By Income Source</b>	<b>13,993</b>	<b>4,573</b>	<b>3,268</b>	<b>3,185</b>	<b>3,034</b>	<b>2,846</b>	<b>14,090</b>	<b>87,037</b>	<b>132,026</b>	<b>110,191</b>	-	-
<b>2019/20 - totals only</b>	<b>11,089</b>	<b>4,781</b>	<b>3,306</b>	<b>2,934</b>	<b>2,675</b>	<b>2,528</b>	<b>13,881</b>	<b>67,045</b>	<b>108,238</b>	<b>89,062</b>		
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	1,796	839	802	709	734	642	2,474	20,741	28,736	25,299		
Commercial	7,126	1,016	487	512	472	380	1,821	11,458	23,271	14,642		
Households	4,150	1,949	1,391	1,392	1,252	1,275	6,881	36,317	54,607	47,116		
Other	921	770	588	573	576	549	2,915	18,521	25,413	23,133		
<b>Total By Customer Group</b>	<b>13,993</b>	<b>4,573</b>	<b>3,268</b>	<b>3,185</b>	<b>3,034</b>	<b>2,846</b>	<b>14,090</b>	<b>87,037</b>	<b>132,026</b>	<b>110,191</b>	-	-

Table provides a breakdown of the consumer and sundry debtors at the end of the third quarter. The outstanding debtors amounted to R132, 026 million as at 31 March 2021. Consumer debtors amounts to R84, 908 million and sundry debtors amounts to R 47, 118 million as at end of the third quarter.



The graph compares debtors' age analysis for 2019/20 financial year and 2020/21 (as at end of third quarter) and noted from the graph there is an increase in the municipal debt book for 2020/21 financial year.

**Table SC4: Creditors Analysis**

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

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

**Table SC5: Investment Portfolio Analysis**

Name of institution	Period of Investment	Type of Investment	Interest Rate	Commission Paid	Expiry date	Opening balance	Interest Realised	Withdrawal	Investment Top Up	Closing Balance
NEDBANK (037881068264/0058)	1 Month	Current Investment	4.2%		19-Apr-21	-	47,926	-	30,000,000	30,047,926
NEDBANK (037881068264/0059)	1 Month	Current Investment	4.2%		21-May-21	-	32,449	-	20,000,000	20,032,449
NEDBANK (037881068264/0060)	1 Month	Current Investment	4.3%		17-Jun-21	-	33,101	-	20,000,000	20,033,101
<b>TOTAL INVESTMENTS AND INTEREST</b>									<b>70,000,000</b>	<b>70,113,477</b>

Supporting Table SC5 displays the council's investments portfolio and indicates that the municipality had an investment of R70, 113 at the end of the third quarter.

**Table SC6- Allocation and grant receipts**

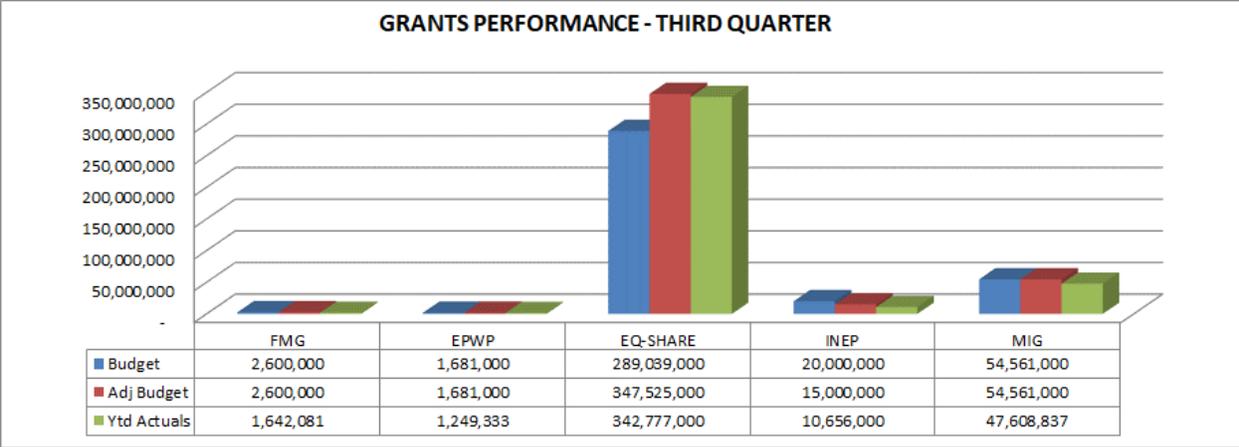
Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>273,218</b>	<b>293,320</b>	<b>351,806</b>	<b>72,764</b>	<b>347,058</b>	<b>347,058</b>	<b>4,748</b>	<b>3%</b>	<b>351,806</b>
Local Government Equitable Share	269,013	289,039	347,525	72,260	342,777	342,777	4,748	3%	347,525
Finance Management	2,235	2,600	2,600	-	2,600	2,600	-	0%	2,600
EPWP Incentive	1,374	1,681	1,681	504	1,681	1,681	-	0%	1,681
Disaster Relief Grant COVID-19 (Corona virus)	596	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Total Operating Transfers and Grants</b>	<b>273,218</b>	<b>293,320</b>	<b>351,806</b>	<b>72,764</b>	<b>347,058</b>	<b>347,058</b>	<b>4,748</b>	<b>3%</b>	<b>351,806</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>73,921</b>	<b>74,561</b>	<b>69,561</b>	<b>8,941</b>	<b>68,891</b>	<b>69,561</b>	<b>670</b>	<b>1%</b>	<b>69,561</b>
Municipal Infrastructure Grant (MIG)	54,921	54,561	54,561	6,941	53,891	54,561	670	1%	54,561
Intergrated National Electrification Grant	19,000	20,000	15,000	2,000	15,000	15,000	-	0%	15,000
<b>Provincial Government:</b>	<b>21,771</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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>95,692</b>	<b>74,561</b>	<b>69,561</b>	<b>8,941</b>	<b>68,891</b>	<b>69,561</b>	<b>670</b>	<b>1%</b>	<b>69,561</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>368,910</b>	<b>367,881</b>	<b>421,367</b>	<b>81,705</b>	<b>415,949</b>	<b>416,619</b>	<b>5,418</b>	<b>4%</b>	<b>421,367</b>

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R415, 244 million of which the major portion is attributed to equitable share. In the reporting period, all gazetted grants were received according to National Treasury's grants payment schedule.

**Table SC7: Transfers and Grant Expenditure**

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	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>273,218</b>	<b>293,320</b>	<b>351,806</b>	<b>88,450</b>	<b>257,608</b>	<b>277,108</b>	<b>(19,500)</b>	<b>-7%</b>	<b>351,806</b>
Local Government Equitable Share	269,013	289,039	347,525	86,881	254,716	273,209	(18,493)	-7%	347,525
Finance Management	2,235	2,600	2,600	1,180	1,642	2,600	(958)	-37%	2,600
EPWP Incentive	1,374	1,681	1,681	389	1,249	1,299	(50)	-4%	1,681
Disaster Relief Grant COVID-19 (Corona virus)	596	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Total operating expenditure of Transfers and Grants:</b>	<b>273,218</b>	<b>293,320</b>	<b>351,806</b>	<b>88,450</b>	<b>257,608</b>	<b>277,108</b>	<b>(19,500)</b>	<b>-7%</b>	<b>351,806</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>70,685</b>	<b>74,561</b>	<b>69,561</b>	<b>23,978</b>	<b>58,265</b>	<b>63,616</b>	<b>(5,351)</b>	<b>-20%</b>	<b>69,561</b>
Municipal Infrastructure Grant (MIG)	51,731	54,561	54,561	21,510	41,826	48,616	(1,007)	-14%	54,561
Intergrated National Electrification Grant	18,954	20,000	15,000	2,468	9,215	15,000	(4,344)	-39%	15,000
<b>Provincial Government:</b>	<b>21,471</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Coghsta - Development	21,471	-	-	-	-	-	-	-	-
<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>92,156</b>	<b>74,561</b>	<b>69,561</b>	<b>23,978</b>	<b>51,041</b>	<b>63,616</b>	<b>(5,351)</b>	<b>-20%</b>	<b>69,561</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>365,374</b>	<b>367,881</b>	<b>421,367</b>	<b>112,428</b>	<b>308,649</b>	<b>340,724</b>	<b>(24,851)</b>	<b>-9%</b>	<b>421,367</b>

A total amount of R308, 649 million that have been spent on grants during the third quarter and the year to date budget thereof amount to R340, 724 million and this resulted in underspending variance of R24, 851 million that translates to 9%. Of the total spending amounting to R308, 649 million, R257, 608 million is spent on operational grants whilst R58, 625 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 third quarter. The grants expenditure is shown below in percentages:

- Financial Management Grant 63.16%
- Expanded Public Work Programme 74.32%
- Equitable Share 98.63%
- Municipal Infrastructure Grant 87.26%
- Integrated National Electrification Grant 71.04%

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

Summary of Employee and Councilor remuneration	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	14,458	15,692	15,392	3,537	10,647	11,236	(589)	-5%	15,392
Pension and UIF Contributions	1,713	1,761	1,776	397	1,203	1,426	(223)	-16%	1,776
Medical Aid Contributions	319	340	383	102	294	309	(15)	-5%	383
Motor Vehicle Allowance	5,149	5,622	5,622	1,292	3,875	4,103	(227)	-6%	5,622
Cellphone Allowance	2,701	2,877	2,877	677	2,031	2,537	(505)	-20%	2,877
Other benefits and allowances	235	234	234	56	168	204	(36)	-18%	234
<b>Sub Total - Councillors</b>	<b>24,575</b>	<b>26,525</b>	<b>26,283</b>	<b>6,061</b>	<b>18,218</b>	<b>19,813</b>	<b>(1,595)</b>	<b>-8%</b>	<b>26,283</b>
<b>% increase</b>		<b>8%</b>	<b>7%</b>						<b>7%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	4,938	6,540	4,855	991	3,095	3,420	(326)	-10%	4,855
Pension and UIF Contributions	178	202	288	36	114	135	(21)	-16%	288
Medical Aid Contributions	82	85	88	22	65	65	-		88
Motor Vehicle Allowance	661	791	649	108	353	414	(60)	-15%	649
Cellphone Allowance	168	-	145	28	91	109	(18)	-16%	145
Other benefits and allowances	446	376	394	81	406	431	(25)	-6%	394
Payments in lieu of leave	18	-	-	-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>	<b>6,491</b>	<b>7,993</b>	<b>6,419</b>	<b>1,266</b>	<b>4,124</b>	<b>4,574</b>	<b>(450)</b>	<b>-10%</b>	<b>6,419</b>
<b>% increase</b>		<b>23%</b>	<b>-1%</b>						<b>-1%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	87,892	99,984	94,731	24,695	71,683	71,897	(214)	0%	94,731
Pension and UIF Contributions	17,806	26,133	19,658	4,737	14,245	14,334	(89)	-1%	19,658
Medical Aid Contributions	5,555	8,477	5,239	1,335	3,925	3,922	3	0%	5,239
Overtime	1,443	974	1,811	387	928	1,101	(173)	-16%	1,811
Motor Vehicle Allowance	11,056	12,848	12,526	3,015	9,008	9,011	(3)	0%	12,526
Cellphone Allowance	1,786	102	1,897	480	1,423	1,424	(1)	0%	1,897
Housing Allowances	179	17	204	52	154	154	-		204
Other benefits and allowances	5,710	12,488	15,123	475	8,709	10,048	(1,339)	-13%	15,123
Payments in lieu of leave	3,479	-	439	320	744	478	266	56%	439
Long service awards	439	733	1,429	613	1,122	1,309	(187)	-14%	1,429
Post-retirement benefit obligations				-			-		
<b>Sub Total - Other Municipal Staff</b>	<b>135,345</b>	<b>161,756</b>	<b>153,058</b>	<b>36,109</b>	<b>111,942</b>	<b>113,679</b>	<b>(1,737)</b>	<b>-2%</b>	<b>153,058</b>
<b>% increase</b>		<b>20%</b>	<b>13%</b>						<b>13%</b>
<b>Total Parent Municipality</b>	<b>166,412</b>	<b>196,274</b>	<b>185,760</b>	<b>43,436</b>	<b>134,284</b>	<b>138,065</b>	<b>(3,782)</b>	<b>-3%</b>	<b>185,760</b>
		<b>18%</b>	<b>12%</b>						<b>12%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>166,412</b>	<b>196,274</b>	<b>185,760</b>	<b>43,436</b>	<b>134,284</b>	<b>138,065</b>	<b>(3,782)</b>	<b>-3%</b>	<b>185,760</b>
<b>% increase</b>		<b>18%</b>	<b>12%</b>						<b>12%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>141,837</b>	<b>169,749</b>	<b>159,477</b>	<b>37,376</b>	<b>116,066</b>	<b>118,252</b>	<b>(2,186)</b>	<b>-2%</b>	<b>159,477</b>

This table provides the details for councilor and employee benefits. For the third quarter the total salaries, allowances and benefits amounted to R134, 284 million which deviates with R3, 782 million from the planned figure.

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

Description					2020/21 Medium Term Revenue		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Budget	Budget	Budget
	Outcome	Outcome	Outcome	Budget	Year	Year +1	Year +2
<b>Cash Receipts By Source</b>							
Property rates	6,277	6,227	5,524	8,813	26,841	28,076	29,367
Service charges - electricity revenue	18,776	20,309	22,662	26,944	88,692	92,772	97,039
Service charges - refuse	1,021	1,107	1,063	2,255	5,446	5,697	5,959
Rental of facilities and equipment	137	96	297	330	860	899	941
Interest earned - external investments	83	29	113	2,929	3,042	3,182	3,328
Interest earned - outstanding debtors	329	305	310	387	1,331	1,392	1,457
Fines, penalties and forfeits	113	68	383	11,570	12,134	12,554	12,994
Licences and permits	1,182	1,187	1,210	2,764	6,344	6,635	6,941
Transfers and Subsidies - Operational	133,089	141,205	72,764	(53,142)	293,916	314,089	333,501
Other revenue	4,293	5,238	14,722	(23,321)	931	974	1,018
<b>Cash Receipts by Source</b>	<b>165,301</b>	<b>175,772</b>	<b>118,934</b>	<b>(20,470)</b>	<b>439,537</b>	<b>466,270</b>	<b>492,544</b>
<b>Other Cash Flows by Source</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			
Transfers and subsidies - capital (monetary allocations)	21,470	38,480	9,611	5,000	74,561	77,207	72,606
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	(500)	(500)	(480)	(520)
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>186,771</b>	<b>214,252</b>	<b>128,545</b>	<b>(15,970)</b>	<b>513,598</b>	<b>542,997</b>	<b>564,630</b>
<b>Cash Payments by Type</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			
Employee related costs	35,590	43,100	37,376	53,683	169,749	177,557	185,725
Remuneration of councillors	6,061	6,097	6,061	8,307	26,525	27,745	29,021
Interest paid	1,300	798	405	(1,320)	1,184	83	15
Bulk purchases - Electricity	39,478	15,371	20,424	18,775	94,047	98,937	107,743
Other materials	2,973	1,474	7,946	(3,429)	8,964	12,707	13,522
Contracted services	40,286	25,315	20,999	(25,939)	60,660	57,320	59,107
Grants and subsidies paid - other	794	858	715	1,100	3,468	3,605	3,747
General expenses	8,821	34,995	15,923	(18,673)	41,067	39,436	41,140
<b>Cash Payments by Type</b>	<b>135,303</b>	<b>128,008</b>	<b>109,848</b>	<b>32,505</b>	<b>405,664</b>	<b>417,391</b>	<b>440,021</b>
<b>Other Cash Flows/Payments by Type</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			
Capital assets	18,111	19,708	23,441	26,332	87,593	93,994	94,483
Repayment of borrowing	2,642	2,710	2,778	2,850	10,980	2,489	-
Other Cash Flows/Payments	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>156,056</b>	<b>150,425</b>	<b>136,067</b>	<b>61,688</b>	<b>504,236</b>	<b>513,874</b>	<b>534,504</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>30,715</b>	<b>63,826</b>	<b>(7,522)</b>	<b>(77,658)</b>	<b>9,361</b>	<b>29,123</b>	<b>30,126</b>
Cash/cash equivalents at the month/year beginning:	150,821	43,800	192,071	183,171	1,929	11,291	40,414
Cash/cash equivalents at the month/year end:	181,536	107,626	184,549	105,514	11,291	40,414	70,540

Supporting Table SC9 provides the details of the cash inflow for the budget setting out receipt by source and payments by type. As at end of third quarter, cash receipts reflect an amount of R128, 545 million whilst the total cash payment is R136, 067 million. The cash and cash equivalent at end the quarter amounted to R184, 549 million that is inclusive of unspent conditional grants amounting to R12, 015 million.

**Table SC12: Capital Expenditure Trend**

Month	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
<b>Monthly expenditure performance trend</b>									
First Quarter	14,245	19,670	19,670	18,111	26,647	36,915	10,268	41%	10%
Second Quarter	34,419	24,059	24,059	19,708	88,087	103,924	15,837	15%	33%
Third Quarter	23,714	14,999	18,576	23,441	157,239	162,251	5,012	4%	59%
Fourth Quarter	25,583	30,551	26,071	–	–	241,327	–	–	0%
<b>Total Capital expenditure</b>	<b>97,961</b>	<b>89,280</b>	<b>88,377</b>	<b>61,260</b>					

Supporting table SC12 provides information on the monthly trends for capital expenditure and this table serves as a supporting table for table C5. In terms of this table the capital expenditure for third quarter amounts to R23, 441 million. The year to date actual amounts to R157, 239 and year to date capital budget is R162, 251 million that gives rise to underspending variance of R5, 012 million that translate to 4%.

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

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on new assets by Asset Class</b>									
<b>Infrastructure</b>	67,457	20,000	15,000	2,150	9,215	10,542	1,326	13%	15,000
<b>Roads Infrastructure</b>	51,346	-	-	-	-	-	-		-
Roads	51,346	-	-	-	-	-	-		-
Road Structures									
Road Furniture									
Storm water Infrastructure	-	-	-	-	-	-	-		-
Drainage Collection									
<b>Electrical Infrastructure</b>	16,111	20,000	15,000	2,150	9,215	10,542	1,326	13%	15,000
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	16,111	20,000	15,000	2,150	9,215	10,542	1,326	13%	15,000
<b>Solid Waste Infrastructure</b>	-	-	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
Waste Processing Facilities							-		
<b>Community Assets</b>	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria							-		
Police							-		
<b>Other assets</b>	-	2,339	2,199	-	1,350	1,446	96	7%	2,199
Municipal Offices		600	770			-	-		770
Workshops		1,739	1,429	-	1,350	1,446	96	7%	1,429
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
<b>Computer Equipment</b>	38	250	679	-	242	235	(8)	-3%	250
Computer Equipment	38	250	679	-	242	235	(8)	-3%	250
<b>Furniture and Office Equipment</b>	526	800	371	91	264	313	49	16%	800
Furniture and Office Equipment	526	800	371	91	264	313	49	16%	800
<b>Machinery and Equipment</b>	1,492	1,200	804	-	54	203	148	73%	804
Machinery and Equipment	1,492	1,200	804	-	54	203	148	73%	804
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on new assets</b>	69,514	24,589	19,053	2,241	11,125	12,737	1,612	13%	19,053

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

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on renewal of existing assets by Asset Class</b>									
<b>Infrastructure</b>	10,527	46,940	51,853	12,585	40,327	41,696	1,370	3%	51,853
<b>Roads Infrastructure</b>	10,527	39,222	51,753	12,585	40,327	41,696	1,370	3%	51,753
Roads	10,527	39,222	51,753	12,585	40,327	41,696	1,370	3%	51,753
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks							-		
<b>Solid Waste Infrastructure</b>	-	7,719	100	-	-	-	-		100
Landfill Sites		7,719	100				-		100
Waste Transfer Stations							-		
<b>Community Assets</b>	-	600	720	-	-	79	79	100%	720
Libraries							-		
Cemeteries/Crematoria		600	720			79	79	100%	720
Police							-		
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
<b>Other assets</b>	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices							-		
Workshops							-		
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on renewal of existing assets</b>	10,527	47,540	52,573	12,585	40,327	41,775	1,449	3.5%	52,573

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

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Third Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Repairs and maintenance expenditure by Asset Class</b>									
<b>Infrastructure</b>	<b>5,119</b>	<b>9,729</b>	<b>15,407</b>	<b>3,970</b>	<b>7,813</b>	<b>9,073</b>	<b>1,260</b>	<b>14%</b>	<b>15,407</b>
<b>Roads Infrastructure</b>	<b>161</b>	<b>4,892</b>	<b>7,783</b>	<b>3,303</b>	<b>5,492</b>	<b>5,649</b>	<b>157</b>	<b>3%</b>	<b>7,783</b>
Roads	161	4,892	7,783	3,303	5,492	5,649	157	3%	7,783
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	<b>2,180</b>	<b>1,845</b>	<b>3,689</b>	<b>169</b>	<b>391</b>	<b>1,288</b>	<b>897</b>	<b>70%</b>	<b>3,689</b>
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	2,180	1,845	3,689	169	391	1,288	897	70%	3,689
<b>Solid Waste Infrastructure</b>	<b>2,778</b>	<b>2,993</b>	<b>3,935</b>	<b>499</b>	<b>1,931</b>	<b>2,136</b>	<b>205</b>	<b>10%</b>	<b>3,935</b>
Landfill Sites	2,778	2,993	3,935	499	1,931	2,136	205	10%	3,935
Waste Transfer Stations							-		
<b>Community Assets</b>	<b>-</b>	<b>306</b>	<b>1,500</b>	<b>-</b>	<b>-</b>	<b>431</b>	<b>431</b>	<b>100%</b>	<b>1,500</b>
Community Facilities	-	306	1,500	-	-	431	431	100%	1,500
Libraries							-		
Parks		306	1,500	-	-	431	431	100%	1,500
<b>Sport and Recreation Facilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Indoor Facilities							-		
Outdoor Facilities							-		
<b>Other assets</b>	<b>1,497</b>	<b>1,845</b>	<b>1,690</b>	<b>429</b>	<b>640</b>	<b>676</b>	<b>36</b>	<b>5%</b>	<b>1,690</b>
Operational Buildings	1,497	1,845	1,690	429	640	676	36	5%	1,690
Workshops							-		
<b>Intangible Assets</b>	<b>-</b>	<b>425</b>	<b>180</b>	<b>-</b>	<b>-</b>	<b>32</b>	<b>32</b>	<b>100%</b>	<b>180</b>
Servitudes							-		
Computer Software and Applications		425	180	-	-	32	32	100%	180
<b>Computer Equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	<b>1,306</b>	<b>1,214</b>	<b>2,005</b>	<b>624</b>	<b>1,133</b>	<b>1,266</b>	<b>132</b>	<b>10%</b>	<b>2,005</b>
Machinery and Equipment	1,306	1,214	2,005	624	1,133	1,266	132	10%	2,005
<b>Transport Assets</b>	<b>2,727</b>	<b>1,854</b>	<b>2,418</b>	<b>754</b>	<b>2,409</b>	<b>2,649</b>	<b>239</b>	<b>9%</b>	<b>2,418</b>
Transport Assets	2,727	1,854	2,418	754	2,409	2,649	239	9%	2,418
<b>Total Repairs and Maintenance Expenditure</b>	<b>10,649</b>	<b>15,373</b>	<b>23,200</b>	<b>5,777</b>	<b>11,996</b>	<b>14,126</b>	<b>2,131</b>	<b>15.1%</b>	<b>23,200</b>

Supporting Tables SC13a and SC13b provide the details of capital expenditure by asset classification for new and replacements of assets separately, whilst Supporting Table SC13c measure's the extent to which the municipality's assets are maintained.

The capital expenditure on new assets amounted to R2, 241 million for the third quarter, which reflects a 13% variance when compared to the quarterly target.

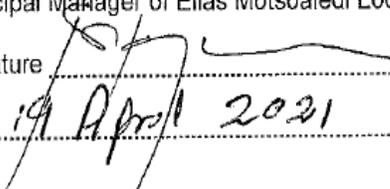
For renewal and upgrading of existing assets to R12, 585 million has been spent during the third quarter on renewal of assets. This reflects 3.5% variance when compared to the target.

The repairs and maintenance for the third quarter amounted to R5, 777 million reflecting a 15.1% variance when compared to the third quarter target.

# Quality Certificate

I, **KGWALE MAHLAGAUME MESHACK**, Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the quarterly report and supporting documentation for the quarter ending 31 March 2021 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 (LIM472)

Signature 

Date 19 April 2021

**Elias Motsoaledi Local  
Municipality**  
19 APR 2021  
**Municipal Manager**