



FETAKGOMO – GREATER TUBATSE  
LOCAL MUNICIPALITY



*The* **GTLM**  
**GREATER TUBATSE**  
**MUNICIPALITY**

South Africa's first democratic platinum city

# **Fetakgomo Tubatse Local Municipality**

## **Mid year Budget Performance Assessment Report**

**31 December 2017**

## Municipal Manager Quality Certification

I, **TG Ratau**, the Municipal Manager of Fetakgomo Tubatse Local Municipality, hereby  
Certify that –

- the mid - year assessment report on the implementation of the budget and financial state affairs of the municipality

For the period ended **December 2017** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Tumelo G. Ratau

Municipal Manager of Fetakgomo Tubatse Local Municipality

Signature : 

Date : 25-01-2018

# **BUDGET AND TREASURY OFFICE**

**To :** The Mayor  
: Provincial Treasury  
: National Treasury  
: Cooperative Governance Human Settlement and Traditional Affairs  
: All Strategic Managers  
: Staff  
: Interested Members of the Community  
: Any other stakeholder

**SUBJECT: MID YEAR ASSESSMENT REPORT FOR THE PERIOD ENDED 31 DECEMBER 2017**

## **PURPOSE**

The purpose of this report is to comply with section 72 of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009 (Municipal Budgeting Monitoring and Reporting Regulations: **MBMRR**)

## **STRATEGIC OBJECTIVE**

To provide up to date financial and non-financial information to all interested parties as prescribed by MFMA.

## **BACKGROUND**

Section 72 of the MFMA and in terms of Section 28 of the Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 2003 **Municipal Budget and Reporting Regulations**” necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

“The accounting officer of a municipality must by 25 January of each year-

Assess the performance of the municipality during the first half of the financial year taking into account -

- (i) The monthly statements referred to in section 71 for the first half of the financial year,
- (ii) The municipality’s service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan

## EXECUTIVE SUMMARY

### 1. INTRODUCTION

The monthly budget statement is prescribed in the MFMA and seeks to report on the implementation of the adopted IDP and budget.

The report covers revenue performance, operating expenditure performance, capital expenditure performance, and grant received and grants spend, cash flow, financial position, investment portfolio, external loans, debtors and creditors age analysis.

The tables are also prescribed by the MFMA with intention to bring comparability of financial and non-financial information across all municipalities. The report must be read together with the SDBIP for better understanding.

The budget monitoring and reporting office relies on various internal stakeholders to provide information for these reports.

The financial result for the period ending **31 December 2017** are summarised as follows;

Statement of Financial Performance					
Description	ANNUAL BUDGET	ADJUSTED BUDGET	YTD Budget (R'000)	YTD Actual (R'000)	Variance% R'000
Total Revenue excluding capital receipts	547,939	-	273,969	348,565	27%
Total Operating Expenditure	584,247	-	292,124	227,966	-22%
Operating surplus / (deficit)	(36,308)	-	(18,154)	120,599	-8%

The annual budget for 2017/18 has an operating deficit of R 36,308 million. Operating revenue excluding capital receipts amounted to R 547 million while operating expenditure amounted to R 584 million. Revenue performance for the year to date amounted to R 348 million while expenditure for the year to date amounted to R 227 million.

## 1.2 MID YEAR REVENUE PER SOURCE

The table below table shows mid-year revenue performance per source.

LIM476 LIM476 - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue By Source</b>										
Property rates		107,248	123,856		7,934	77,474	61,928	15,546	25%	123,856
Service charges - electricity revenue			-							
Service charges - water revenue			-							
Service charges - sanitation revenue			-							
Service charges - refuse revenue		14,209	11,479		1,089	6,468	5,740	728	13%	11,479
Service charges - other			-							
Rental of facilities and equipment		271	575		46	53	288	(234)	-81%	575
Interest earned - external investments		9,039	11,519		2,002	10,839	5,759	5,080	88%	11,519
Interest earned - outstanding debtors			11,719		6,511	8,393	5,860	2,533	43%	11,719
Dividends received			-							
Fines, penalties and forfeits		3,214	14,436		11	130	7,218	(7,088)	-98%	14,436
Licences and permits		7,283	13,846		509	4,368	6,923	(2,554)	-37%	13,846
Agency services			4,274		434	1,084	2,137	(1,054)	-49%	4,274
Transfers and subsidies		272,066	352,892		98,825	239,378	176,446	62,932	36%	352,892
Other revenue		25,960	3,342		74	379	1,671	(1,293)	-77%	3,342
Gains on disposal of PPE			-							
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>439,290</b>	<b>547,939</b>	<b>-</b>	<b>117,432</b>	<b>348,565</b>	<b>273,969</b>	<b>74,596</b>	<b>27%</b>	<b>547,939</b>

- Revenue for property rate and refuse removal is based on an accounting concept called accrual basis where revenue is recognised as and when a transaction occurs not when actual cash is received.
- Operational revenue recognised excluding capital receipts for the mid-year amounts to R348, 565.
- The planned revenue collection target of R273, 969 million at mid-year was outperformed by R74 million (27 per cent).
- Although there has been a fairly good performance on the revenue recognized however there has been some under-collection on some revenue streams;

### Revenue from exchange transaction

- On rental of facilities and equipment under-collection of 81 per cent (R234 thousand) was realized. This was mainly due to under-utilization of some facilities (Civic Hall, Community halls) at Apel regional office. In this regard there might be a need for adjustment as this revenue stream has been over budgeted.
- There is an under collection on Licenses and permits of 37 per cent (R 2 million) against the planned budget of R 6,9 million. This was mainly due to non-functioning of the station at Apel Regional office which was temporarily closed due to theft. The revenue source will improve as the station is now fully operational.
- Agency fees under-performed by 49 per cent (R 1 million) against the planned budget target of R 2,1 million where in only R 1,084 million was realized to date. This amount is informed by the collection rate above as the municipality receives 20% of collection from motor vehicle registration.

## Revenue from non-exchange transaction

- Fines, Penalties and forfeits under performed by 98 per cent(R 7 million) and this emanates from non-payment from offenders. Corrective measures has to be imposed against this non payers by applying credit control and debt collection mechanisms.
- The transfers recognized from operational grants shows a substantial over-collection of R36 million and this is mainly due to grants transfers received in September and December 2017. Municipal Demarcation Transitional grant amounting to R 1,522 m was received during September 2017 among others. Transfers of grants is done in accordance with payment schedule approved by National treasury in terms of the Division of Revenue Act. Whilst taking cognizance of the over collection, National Treasury has invoke Section 22 of the Division of Revenue Act, 2015 by withholding and offsetting unspent conditional grants amounting to R12,175 million (MIG ) against the second trench of equitable share allocation.

### 1.3 MID YEAR OPERATING EXPENDITURE PERFORMANCE

The mid-year expenditure per type is as follows:

LIM476 LIM476 - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Expenditure By Type</b>										
Employee related costs		124,147	163,899	544,260	12,747	81,121	81,949	(829)	-1%	163,899
Remuneration of councillors		23,358	24,099		2,072	12,706	12,050	657	5%	24,099
Debt impairment		(20,372)	30,000		2,500	15,000	15,000	-		30,000
Depreciation & asset impairment		95,739	90,000		7,500	45,000	45,000	-		90,000
Finance charges		2,082	1,725		-	520	863	(343)	-40%	1,725
Bulk purchases		154	-			-	-	-		-
Other materials		50,099	72,748		4,726	8,857	36,374	(27,517)	-76%	72,748
Contracted services		50,995	79,838		2,479	29,030	39,919	(10,889)	-27%	79,838
Transfers and subsidies		5,465	4,000		727	3,446	2,000	1,446	72%	4,000
Other expenditure		89,407	117,938		7,510	32,288	58,969	(26,681)	-45%	117,938
Loss on disposal of PPE			-			-	-	-		-
<b>Total Expenditure</b>		<b>421,075</b>	<b>584,247</b>	<b>544,260</b>	<b>40,261</b>	<b>227,966</b>	<b>292,124</b>	<b>(64,157)</b>	<b>-22%</b>	<b>584,247</b>

- The mid-year actual expenditure amounts to R227, 966 million whilst the mid-year planned expenditure was R292, 124 million. The results reflect an underspending of R64 million (22 per cent).
- The underspending of R 64 million on the operating expenditure is mainly due to the following;
  - Other materials underperformed by 76% due to repairs and maintenance of other assets (Re-gravelling of roads) which is committed during December 2017. An amount of R 47,856 m is committed and will improve the spending from January 2018.
  - The under expenditure of 27% on Contracted Services during the mid-year ended December 2017 emanates from Refuse removal services which was over budgeted and will be adjusted during February 2018.
  - The under expenditure of 45% for other expenditure is mainly due to operational projects which were not implemented during the 1st and 2nd quarter. The spending patterns will be revisited and adjusted accordingly during adjustment budget.
  - The mid-year operating results is a surplus of R 120 million however, the planned deficit was R18 million which reflects an improved financial performance.

## 1.4. Capital Budget Performance

LIM476 LIM476 - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		-	4,020	-	614	2,756	2,010	746	37%	4,020
Executive and council								-		
Finance and administration			4,020		614	2,756	2,010	746	37%	4,020
Internal audit								-		
<i>Community and public safety</i>		-	45,345	-	125	7,169	22,672	(15,503)	-68%	45,345
Community and social services			25,500			6,437	12,750	(6,313)	-50%	25,500
Sport and recreation			10,345			-	5,172	(5,172)	-100%	10,345
Public safety			9,500		125	732	4,750	(4,018)	-85%	9,500
Housing								-		
Health								-		
<i>Economic and environmental services</i>		-	90,074	-	16,133	51,140	45,037	6,103	14%	90,074
Planning and development			6,000		-	-	3,000	(3,000)	-100%	6,000
Road transport			84,074		16,133	51,140	42,037	9,103	22%	84,074
Environmental protection								-		
<i>Trading services</i>		-	1,000	-	-	-	417	(417)	-100%	1,000
Energy sources								-		
Water management			1,000				417	(417)	-100%	1,000
Waste water management								-		
Waste management								-		
<i>Other</i>								-		
<b>Total Capital Expenditure - Functional Classification</b>	3	-	140,438	-	16,872	61,066	70,136	(9,070)	-13%	140,438
<b>Funded by:</b>										
National Government			81,478		16,133	51,140	40,739	10,401	26%	81,478
Provincial Government								-		
District Municipality								-		
Other transfers and grants								-		
Transfers recognised - capital		-	81,478	-	16,133	51,140	40,739	10,401	26%	81,478
Public contributions & donations	5							-		
Borrowing	6							-		
Internally generated funds			58,960		739	9,926	29,480	(19,554)	-66%	58,960
<b>Total Capital Funding</b>		-	140,438	-	16,872	61,066	70,219	(9,153)	-13%	140,438

- The actual capital expenditure as at mid-year shows an underspending of R 9,070 million (26 per cent) from planned target of R70, 219 million, the aggregate actual expenditure amounted to R61, 066 million. The MIG spending to date is 61% and CAPEX from own funding 17%.

**DETAILED CAPITAL EXPENDITURE PERFORMANCE**

Exp Cat Description	Item Description	Budget Year	YTD	Percentage (%)
	<b>ASSETS FROM GRANTS AND SUBSIDIES</b>			
ASSETS FROM MIG GRANTS	MIG-UPGRADINGGRADINGWANASPORTSFAC.	1,666,001	443,433.00	27%
ASSETS FROM MIG GRANTS	MIG - MAPODILE SPORTS FACILITIES PHASE 2	3,178,850	2,121,356.35	67%
ASSETS FROM MIG GRANTS	MIG - MOTODI SPORTS COMPLEX	2,500,000	-	0%
ASSETS FROM MIG GRANTS	MIG-TUBATSEHIGHMASTLIGHTS	2,500,000	-	0%
ASSETS FROM MIG GRANTS	MIG-ACCESSBRIDGE-DITHAMAGA	7,317,695	5,962,406.42	81%
ASSETS FROM MIG GRANTS	MIG - ACCESSBRIDGE-TJATE	10,208,246	5,038,760.01	49%
ASSETS FROM MIG GRANTS	MIG - ACCESSROAD-BOTHASHOEK	13,983,817	9,447,020.66	68%
ASSETS FROM MIG GRANTS	MIG - TUKAKGOMO ACCESS ROAD	1,500,000	-	0%
ASSETS FROM MIG GRANTS	MIG - ACCESS BRIDGE-LEFAHLA	1,500,000	444,611.04	30%
ASSETS FROM MIG GRANTS	MIG - THOKWANE ACCESS ROAD	6,000,000	5,299,285.79	88%
ASSETS FROM MIG GRANTS	MIG - LEBOENGACCESSROAD	4,083,792	2,740,813.80	67%
ASSETS FROM MIG GRANTS	MIG - ACCESS BRIDGE-GAMALWANE	1,500,000	2,961,000.03	197%
ASSETS FROM MIG GRANTS	MIG - ACCESS BRIDGE-MOROKADIETA	8,900,000	4,865,490.66	55%
ASSETS FROM MIG GRANTS	MIG - NCHABELENG/NKWANA/SEROKA STYKRALL/COMMUNITY HALLS INTERNAL STREET	4,000,000	-	0%



Exp Cat Description	Item Description	Budget Year	YTD	Percentage (%)
ASSETS FROM MIG GRANTS	MIG - MAGAKALA TO MAGOTWANA INTERNAL STREET	4,000,000	-	0%
ASSETS FROM MIG GRANTS	MIG - FETAKGOMO MUNICIPAL FACILITIES INTERNAL STREET	4,700,000	-	0%
ASSETS FROM MIG GRANTS	MIG - MASHUNG INTERNAL STREET	4,500,000	3,848,885.99	86%
ASSETS FROM MIG GRANTS	OWN FUNDING OF MIG PROJECTS	(560,000)		0%
	<b>TOTAL ASSETS FROM GRANTS AND SUBSIDIES (VAT incl.)</b>	<b>81,478,401</b>	<b>49,217,293</b>	<b>61%</b>

**ASSETS FROM OWN FUNDING**

Exp Cat Description	Item Description	Budget Year	YTD	Percentage (%)
ASSETS FROM OWN FUNDING	PLANT AND EQUIPMENT	8,000,000	6,436,791	80%
ASSETS FROM OWN FUNDING	FEASIBILITY STUDY WATER AUTHORITY	1,500,000	-	0%
ASSETS FROM OWN FUNDING	CONSTRUCTION OF STORMWATER DRAINAGE	4,000,000	-	0%
ASSETS FROM OWN FUNDING	TOWNSHIP ESTABLISHMENT / LAND ACQUISITION	2,000,000	-	0%
ASSETS FROM OWN FUNDING	IDENTIFICATION OF LAND AND DESIGNS FOR BUSINESS PARK	500,000	-	0%
ASSETS FROM OWN FUNDING	BURGERSFORT STADIUM	1,000,000	-	0%
ASSETS FROM OWN FUNDING	PURCHASE OF TRAFFIC VEHICLE	1,000,000	607,425	61%
ASSETS FROM OWN FUNDING	PURCHASE OF REFUSE REMOVAL FLEET	1,500,000	-	0%
ASSETS FROM OWN FUNDING	PURCHASE OF LAND FOR ANIMAL POUND	2,000,000	-	0%
ASSETS FROM OWN FUNDING	PURCHASE OF LAND FOR VEHICLE POUND	1,500,000	-	0%
ASSETS FROM OWN FUNDING	PURCHASE OF LANDFILL SITE	15,000,000	-	0%
ASSETS FROM OWN FUNDING	REHABILITATION AND CLOSURE OF BURGERSFORT LANDFILL SITE	1,500,000	-	0%
ASSETS FROM OWN FUNDING	DEVELOPMENT OF MALOGENG LANDFILL SITE	2,000,000	-	0%
ASSETS FROM OWN FUNDING	CONSTRUCTION OF PRAKTISEER LISENCING OFFICES	2,000,000	-	0%

Exp Cat Description	Item Description	Budget Year	YTD	Percentage (%)
ASSETS FROM OWN FUNDING	PURCHASE OF WASTE SKIP AND STREET BINS	1,000,000	125,000	13%
ASSETS FROM OWN FUNDING	DEVELOPMENT OF TRANSFER STATION	2,000,000	-	0%
ASSETS FROM OWN FUNDING	FENCING OF CEMETRIES	1,500,000	-	0%
ASSETS FROM OWN FUNDING	DEVELOPMENT OF REGIONAL CEMETRIES	1,000,000	-	0%
ASSETS FROM OWN FUNDING	CONSTRUCTION OF CARPORTS	100,000	-	0%
ASSETS FROM OWN FUNDING	CLEANING EQUIPMENT	120,000	37,719	31%
ASSETS FROM OWN FUNDING	FURNITURE	500,000	177,050	35%
ASSETS FROM OWN FUNDING	COMPUTER HARDWARES	300,000	224,632	75%
ASSETS FROM OWN FUNDING	PURCHASE OF MUNICIPAL FLEET	1,500,000	1,356,986	90%
ASSETS FROM OWN FUNDING	SURVEY OF MUNICIPAL BUILDING	500,000	-	0%
ASSETS FROM OWN FUNDING	REFURBISHMENT OF MUNICIPAL BUILDINGS	1,500,000	959,947	64%
ASSETS FROM OWN FUNDING	CONSTRUCTION OF NEWHAWKERS STALLS	1,500,000	-	0%
ASSETS FROM OWN FUNDING	OWN FUNDING CONTRIBUTION TO MIG	(560,000)	-	0%
ASSETS FROM OWN FUNDING	DECENTRALISATION OF RA FUNCTION	1,000,000	-	0%
ASSETS FROM OWN FUNDING	OHRIDSTAD SPORTS COMPLEX PHASE 2	2,000,000	-	0%

Exp Cat Description	Item Description	Budget Year	YTD	Percentage (%)
ASSETS FROM OWN FUNDING	DEVELOPMENT OF MASTER PLAN	1,500,000		0%
	<b>TOTAL ASSETS FROM OWN FUNDS</b>	<b>58,960,000</b>	<b>9,925,550</b>	<b>17%</b>

## 1.5 CASH FLOW

LIM476 LIM476 - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
Receipts										
Property rates		45,794	74,314		9,416	19,623	37,157	(17,533)	-47%	74,314
Service charges		14,209	8,099		1,416	7,178	4,050	3,128	77%	8,099
Other revenue		5,031	15,927			13,811	7,964	5,848	73%	15,927
Government - operating		350,246	343,882		98,825	243,500	243,500	0	0%	343,882
Government - capital		95,383	95,863		25,294	72,959	72,959	-	-	95,863
Interest		9,039	13,878		2,002	10,839	6,939	3,900	56%	13,878
Dividends										
Payments										
Suppliers and employees		(383,867)	(439,794)		(30,261)	(198,227)	(219,897)	(21,670)	10%	(439,794)
Finance charges		(1,537)	(1,725)		-	(520)	(863)	(343)	40%	(1,725)
Transfers and Grants		(5,313)	(4,000)		(727)	(2,718)	(2,000)	716	-36%	(4,000)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>128,986</b>	<b>106,444</b>	<b>-</b>	<b>105,965</b>	<b>166,449</b>	<b>149,808</b>	<b>(16,640)</b>	<b>-11%</b>	<b>106,444</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
Receipts										
Proceeds on disposal of PPE		114,893	389,180							
Decrease (Increase) in non-current debtors			1,537							
Decrease (increase) other non-current receivables										
Decrease (increase) in non-current investments										
Payments										
Capital assets		(110,753)	(142,622)		(10,159)	(40,734)	(59,426)	(18,692)	31%	(142,622)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>4,140</b>	<b>248,095</b>	<b>-</b>	<b>(10,159)</b>	<b>(40,734)</b>	<b>(59,426)</b>	<b>(18,692)</b>	<b>31%</b>	<b>(142,622)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Receipts										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing		(911)	(1,100)		-	(1,004)	(550)	454	-82%	(1,100)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(911)</b>	<b>(1,100)</b>	<b>-</b>	<b>-</b>	<b>(1,004)</b>	<b>(550)</b>	<b>454</b>	<b>-82%</b>	<b>(1,100)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>132,215</b>	<b>353,439</b>	<b>-</b>	<b>95,806</b>	<b>124,711</b>	<b>89,832</b>			<b>(37,278)</b>
Cash/cash equivalents at beginning:		76,126	168,234			197,933	168,234			197,933
Cash/cash equivalents at month/year end:		208,341	521,672			322,645	258,066			160,655

- The cash and cash equivalents balance as at December 2017 shows R 322, 645m. The positive cash and cash equivalents of R322,345m, is as a result of net-cash used from operating activities amounting to R166,449m, cash used for investing expenditure amounted R40, 734m.

## 1.6 DEBTORS

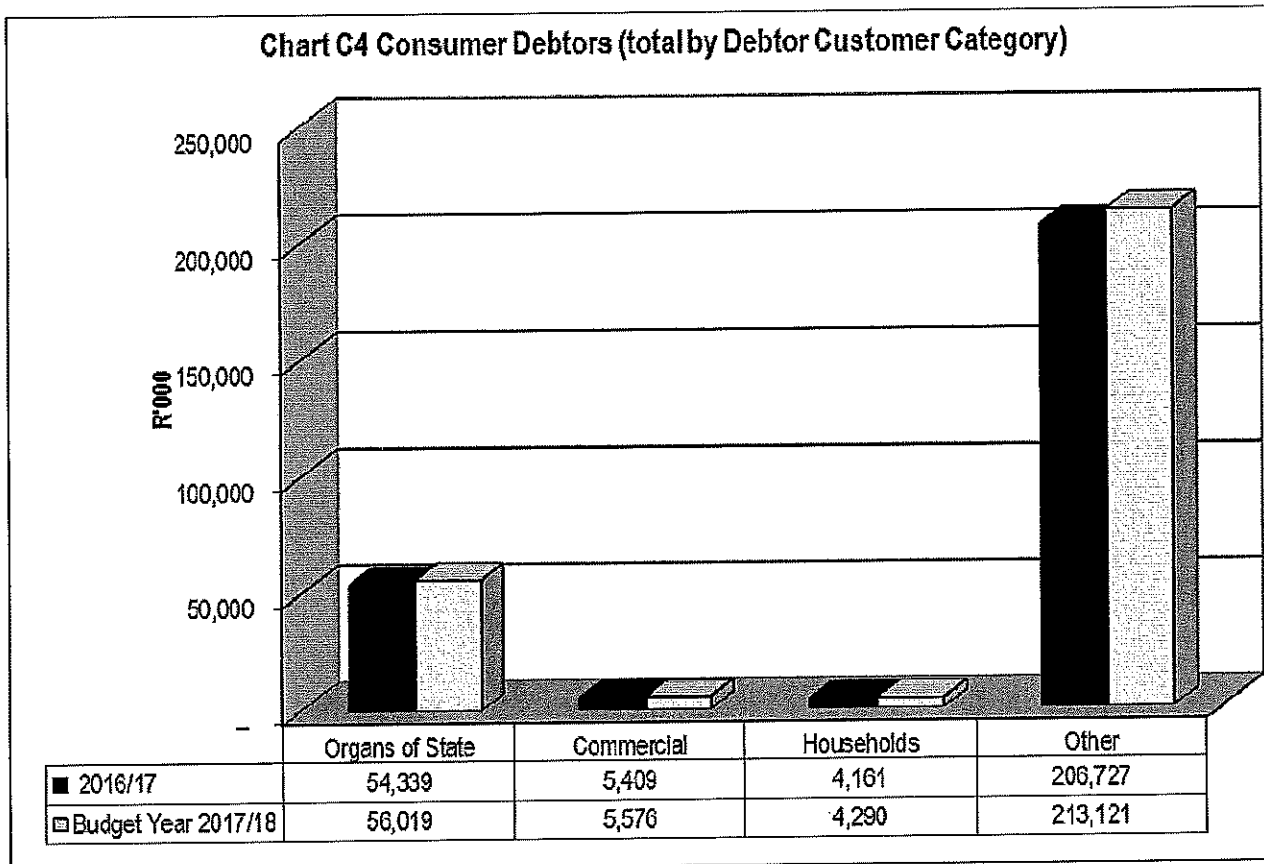
The debtors report has been prepared on the basis of the format required to be lodged electronically with the National Treasury. This format provides an extended aged analysis, as well as an aged analysis by debtor type. The summary report indicates that customers owe the municipality a staggering R 279 million of which R 264 million is more than 90 days old. The bulk of the debt relates to refuse removal and property rates. Total debt amount to R 27 million was written off as per council resolution most of the debt emanated from commercial property rates.

LIM476 LIM476 - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

R thousands	Description	NT Code	Budget Year 2017/18										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.e. Council Policy		
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total over 90 days	Total				
	<b>Debtors Age Analysis By Income Source</b>															
	Trade and Other Receivables from Ex-change Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Trade and Other Receivables from Ex-change Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Receivables from Non-exchange Transactions - Property Rates	1400	13,926	13,926	4,223	4,058	4,048	3,979	146,847	158,932	191,007	158,932	19,058	-	-	-
	Receivables from Ex-change Transactions - Waste Water Management	1500	-	2,777	1,184	1,152	1,143	1,129	37,582	41,006	47,744	41,006	8,022	-	-	-
	Receivables from Ex-change Transactions - Waste Management	1600	2,777	-	1,767	1,723	1,691	1,296	36,965	41,675	50,682	41,675	-	-	-	-
	Receivables from Ex-change Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Interest on Arrear Debtor Accounts	1810	3,620	3,620	1,767	1,723	1,691	1,296	36,965	41,675	50,682	41,675	-	-	-	-
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	1900	(6,074)	(6,074)	8	2	3	1	1,707	(10,427)	(10,427)	1,713	-	-	-	-
	<b>Total By Income Source</b>	<b>2000</b>	<b>14,249</b>	<b>14,249</b>	<b>7,182</b>	<b>6,935</b>	<b>6,885</b>	<b>6,405</b>	<b>223,101</b>	<b>243,326</b>	<b>279,006</b>	<b>243,326</b>	<b>27,080</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>2016/17 - totals only</b>															
	<b>Debtors Age Analysis By Customer Group</b>															
	Organs of State	2200	-	5,306	5,826	4,785	4,085	32,271	3,746	50,713	56,019	50,713	19,058	-	-	-
	Commercial	2300	-	4	2,087	1,092	803	792	797	5,576	5,576	5,572	-	-	-	-
	Households	2400	-	-	1,032	752	678	668	1,159	4,290	4,290	4,290	-	-	-	-
	Other	2500	-	8,939	(1,763)	305	1,318	(27,326)	231,648	204,182	213,121	204,182	8,022	-	-	-
	<b>Total By Customer Group</b>	<b>2600</b>	<b>-</b>	<b>14,249</b>	<b>7,182</b>	<b>6,935</b>	<b>6,885</b>	<b>6,406</b>	<b>237,350</b>	<b>264,757</b>	<b>279,006</b>	<b>264,757</b>	<b>27,080</b>	<b>-</b>	<b>-</b>	<b>-</b>

- The payment level for mid-year reflects a collection rate of 152% compared to total levies.

## Debtors Chart



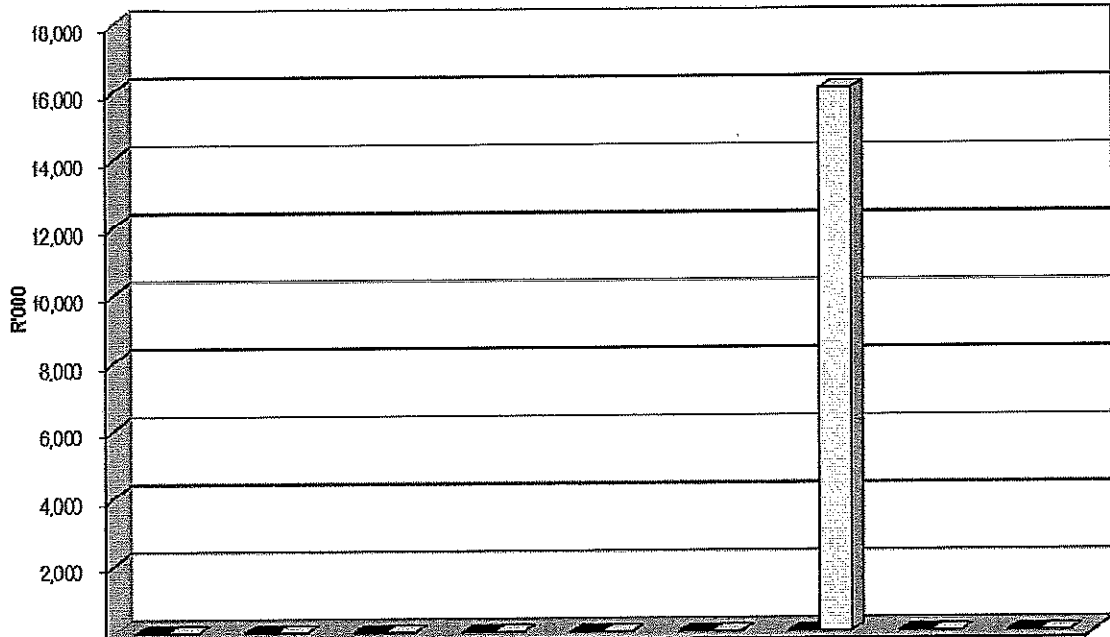
## 1.7 CREDITORS

LIM476 LIM476 - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description	NT Code	Budget Year 2017/18									Total	Prior year totals for chart (same period)	
		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				
<b>Creditors Age Analysis By Customer Type</b>													
Bulk Electricity	0100											-	
Bulk Water	0200											-	
PAYE deductions	0300											-	
VAT (output less input)	0400											-	
Pensions / Retirement deductions	0500											-	
Loan repayments	0600											-	
Trade Creditors	0700	15,914	12	123	-							16,048	
Auditor General	0800											-	
Other	0900											-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>15,914</b>	<b>12</b>	<b>123</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,048</b>	<b>-</b>

- As at end of December 2017 the outstanding creditors were standing at R16, 048m.

**Chart C5 Aged Creditors Analysis**



	Bulk Electricity	Bulk Water	FAYE deduction	WAT (output less input)	Pensions / Retirement deductions	Loan repayments	Trade Creditors	Auditor General	Other
■ 2016/17	-	-	-	-	-	-	-	-	-
□ Budget Year 2017/18	-	-	-	-	-	-	16,048	-	-





## 1.10 COUNCILLORS AND EMPLOYEE COSTS

LIM476 LIM476 - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councillor remuneration	Ref	Budget Year 2017/18								
		2016/17 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages			14,236		1,447	8,634	5,932	2,702	46%	14,236
Pension and UIF Contributions			2,512				1,047	(1,047)	-100%	2,512
Medical Aid Contributions										
Motor Vehicle Allowance			5,583		476	3,180	2,326	854	37%	5,583
Cellphone Allowance			1,768		151	892	737	156	21%	1,768
Housing Allowances										
Other benefits and allowances										
<b>Sub Total - Councillors</b>			<b>24,099</b>		<b>2,074</b>	<b>12,706</b>	<b>10,041</b>	<b>2,665</b>	<b>27%</b>	<b>24,099</b>
% increase	4		#DIV/0!							#DIV/0!
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages			6,176		199	1,782	2,573	(791)	-31%	6,176
Pension and UIF Contributions			673		0	68	281	(213)	-76%	673
Medical Aid Contributions										
Overtime										
Performance Bonus			803				334	(334)	-100%	803
Motor Vehicle Allowance			967		22	136	403	(266)	-66%	967
Cellphone Allowance			108		5	34	45	(11)	-24%	108
Housing Allowances			104			19	43	(24)	-57%	104
Other benefits and allowances			297		1	84	124	(39)	-32%	297
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
<b>Sub Total - Senior Managers of Municipality</b>			<b>9,127</b>		<b>227</b>	<b>2,124</b>	<b>3,803</b>	<b>(1,679)</b>	<b>-44%</b>	<b>9,127</b>
% increase	4		#DIV/0!							#DIV/0!
<b>Other Municipal Staff</b>										
Basic Salaries and Wages			86,908		8,568	53,492	36,212	17,280	48%	86,908
Pension and UIF Contributions			21,700		1,385	8,930	9,041	(111)	-1%	21,700
Medical Aid Contributions			7,517		707	4,930	3,132	1,798	57%	7,517
Overtime			2,465		232	1,264	1,027	237	23%	2,465
Performance Bonus			1,500				625	(625)	-100%	1,500
Motor Vehicle Allowance			17,169		1,357	9,285	7,154	2,131	30%	17,169
Cellphone Allowance			4,259		178	943	1,775	(832)	-47%	4,259
Housing Allowances			1,395		150	643	581	62	11%	1,395
Other benefits and allowances			11,861		172	1,634	4,942	(3,308)	-67%	11,861
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
<b>Sub Total - Other Municipal Staff</b>			<b>154,772</b>		<b>12,747</b>	<b>81,121</b>	<b>64,488</b>	<b>16,633</b>	<b>26%</b>	<b>154,772</b>
% increase	4		#DIV/0!							#DIV/0!
<b>Total Parent Municipality</b>			<b>187,998</b>		<b>15,049</b>	<b>95,952</b>	<b>78,333</b>	<b>17,620</b>	<b>22%</b>	<b>187,998</b>

- For the mid-year ended December 2017, the total salaries, allowances and benefits for employees and Councillors paid amounted to R81, 121m and R 12,706 million respectively. The percentage spent to date is 49% for employees and 52 % councillors against the budget of R163 million and R 24 million respectively.

## **RISKS AND CHALLENGES**

This report shows various risk which must be attended to. This includes the following;

- Debtors' age analysis shows that the municipality is not collecting the billed revenue .The debtor's book continue to increase tragically which will lead to under collection of revenue as oppose to the budgeted revenue.
- Reluctance of customer and government departments to pay for rates.
- Culture of payment should be imposed.

## **CONCLUSION**

- The performance assessment conducted and detailed provided above reflects that an adjustments budget will need to be done to ensure the challenges of under-collection on revenue, overspending on certain operating expenditure items, underperformance on cash flow and capital expenditure are addressed.

## **RECOMMENDATION**

- (1) That, the report is in compliance with, Section 72 of the MFMA regarding the "Local Government: Municipal Finance Management Act 2003 and Municipal Budget and Reporting Regulations" monthly financial results regarding the operating and capital budgets.
- (2) This report is submitted to the Mayor of the municipality, the provincial treasury and national treasury within 30 working days after the end of each quarter.
- (3) That all unit/ divisions in the municipality should review service delivery targets in line with the 2nd quarter performance.
- (4) That the report is made public in compliance to section 75 of the MFMA.

## **PART 2**

### **MONTHLY BUDGET STATEMENT TABLES**

The monthly financial results for the period ended 31 December 2016 are attached consisting of the following tables, in Annexure A:

- (a) Table C1: Consolidated Monthly Budget Statement – Summary
- (b) Table C2: Consolidated Monthly Budget Statement – Financial Performance (standard Classification)
- (c) Table C3: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure by Municipal vote)
- (d) Table C4: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure)
- (e) Table C5: Consolidated Monthly Budget Statement – Capital Expenditure by vote, standard classification and funding
- (f) Table C6: Consolidated Monthly Budget Statement – Financial Position
- (g) Table C7: Consolidated Monthly Budget Statement – Cash Flow

#### *Part 2*

- (a) Table SC1: Material variance explanations
- (b) Table SC2: Monthly Budget Statement – Performance Indicators
- (c) Table SC3: Monthly Budget Statement – Aged Debtors
- (d) Table SC4: Monthly Budget Statement – Aged Creditors
- (e) Table SC5: Monthly Budget Statement – Investment Portfolio
- (f) Table SC6: Monthly Budget Statement – Transfers and grant receipts
- (g) Table SC7: Monthly Budget Statement – Transfers and grant expenditures
- (h) Table SC8: Monthly Budget Statement – Councillor and Staff Benefits
- (i) Table SC9: Monthly Budget Statement – Actual and Revised targets for cash receipts
- (j) Table SC12: Monthly Budget Statement – Capital Expenditure Trend
- (k) Table SC13a: Monthly Budget Statement – Capital expenditure on new assets by asset class
- (l) Table SC13c: Monthly Budget Statement – Capital expenditure on repairs and maintenance by asset class
- (m) Municipal manager's quality certification

LIM476 LIM476 - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	107,248	123,856	-	7,934	77,474	61,928	15,546	25%	123,856
Service charges	14,209	11,479	-	1,089	6,468	5,740	728	13%	11,479
Investment revenue	9,039	11,519	-	2,002	10,839	5,759	5,080	88%	11,519
Transfers and subsidies	272,066	352,892	-	98,825	239,378	176,446	62,932	36%	352,892
Other own revenue	36,728	48,193	-	7,583	14,407	24,096	(9,689)	-40%	48,193
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>439,290</b>	<b>547,939</b>	<b>-</b>	<b>117,432</b>	<b>348,565</b>	<b>273,969</b>	<b>74,596</b>	<b>27%</b>	<b>547,939</b>
Employee costs	124,147	163,899	-	12,747	81,121	81,949	(829)	-1%	163,899
Remuneration of Councillors	23,358	24,099	-	2,072	12,706	12,050	657	5%	24,099
Depreciation & asset impairment	95,739	90,000	-	7,500	45,000	45,000	-	-	90,000
Finance charges	2,082	1,725	-	-	520	863	(343)	-40%	1,725
Materials and bulk purchases	50,253	72,748	-	4,726	8,857	36,374	(27,517)	-76%	72,748
Transfers and subsidies	5,465	4,000	-	727	3,446	2,000	1,446	72%	4,000
Other expenditure	120,030	227,775	-	12,489	76,317	113,888	(37,570)	-33%	227,775
<b>Total Expenditure</b>	<b>421,075</b>	<b>584,247</b>	<b>-</b>	<b>40,261</b>	<b>227,966</b>	<b>292,124</b>	<b>(64,157)</b>	<b>-22%</b>	<b>584,247</b>
<b>Surplus/(Deficit)</b>	<b>18,215</b>	<b>(36,308)</b>	<b>-</b>	<b>77,171</b>	<b>120,599</b>	<b>(18,154)</b>	<b>138,753</b>	<b>-764%</b>	<b>(36,308)</b>
Transfers and subsidies - capital (monetary alloc	104,970	85,863	-	12,694	39,267	42,932	(3,664)	-9%	85,863
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>123,185</b>	<b>49,555</b>	<b>-</b>	<b>89,865</b>	<b>159,866</b>	<b>24,777</b>	<b>135,089</b>	<b>545%</b>	<b>49,555</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>123,185</b>	<b>49,555</b>	<b>-</b>	<b>89,865</b>	<b>159,866</b>	<b>24,777</b>	<b>135,089</b>	<b>545%</b>	<b>49,555</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>-</b>	<b>140,438</b>	<b>-</b>	<b>16,872</b>	<b>54,629</b>	<b>70,219</b>	<b>(15,590)</b>	<b>-22%</b>	<b>140,438</b>
Capital transfers recognised	-	81,478	-	16,133	51,140	40,739	10,401	26%	81,478
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	58,960	-	739	9,926	29,480	(19,554)	-66%	58,960
<b>Total sources of capital funds</b>	<b>-</b>	<b>140,438</b>	<b>-</b>	<b>16,872</b>	<b>61,066</b>	<b>70,219</b>	<b>(9,153)</b>	<b>-13%</b>	<b>140,438</b>
<b>Financial position</b>									
Total current assets	453,784	300,562	-	-	614,078	-	-	-	300,562
Total non current assets	2,386,301	1,372,412	-	-	1,518,488	-	-	-	1,372,412
Total current liabilities	183,159	-	-	-	135,125	-	-	-	-
Total non current liabilities	61,716	-	-	-	67,902	-	-	-	-
<b>Community wealth/Equity</b>	<b>2,595,209</b>	<b>1,831,093</b>	<b>-</b>	<b>-</b>	<b>1,929,540</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,831,093</b>
<b>Cash flows</b>									
Net cash from (used) operating	128,986	106,444	-	105,965	166,449	149,808	(16,640)	-11%	106,444
Net cash from (used) investing	4,140	248,095	-	(10,159)	(40,734)	(59,426)	(18,692)	31%	(142,622)
Net cash from (used) financing	(911)	(1,100)	-	-	(1,004)	(550)	454	-82%	(1,100)
<b>Cash/cash equivalents at the month/year end</b>	<b>208,341</b>	<b>521,672</b>	<b>-</b>	<b>-</b>	<b>322,645</b>	<b>258,066</b>	<b>(64,579)</b>	<b>-25%</b>	<b>160,655</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>
<b>Debtors Age Analysis</b>									
Total By Income Source	14,249	14,249	7,182	6,935	6,885	6,405	223,101	-	279,006
<b>Creditors Age Analysis</b>									
Total Creditors	15,914	12	123	-	-	-	-	-	16,048

LIM476 LIM476 - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		-	502,805	-	107,312	324,795	251,350	73,446	29%	502,805
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	502,805	-	107,312	324,795	251,350	73,446	29%	502,805
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	22,072	-	529	1,239	11,036	(9,796)	-89%	22,072
Community and social services		-	1,880	-	8	32	940	(908)	-97%	1,880
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	20,192	-	520	1,207	10,096	(8,888)	-88%	20,192
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	97,355	-	10,504	14,864	48,678	(33,814)	-69%	97,355
Planning and development		-	1,492	-	60	165	746	(581)	-78%	1,492
Road transport		-	95,863	-	10,444	14,699	47,932	(33,232)	-69%	95,863
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	11,570	-	(1,470)	(8,667)	5,785	(14,452)	-250%	11,570
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	11,570	-	(1,470)	(8,667)	5,785	(14,452)	-250%	11,570
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	633,802	-	116,875	332,231	316,848	15,384	5%	633,802
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	359,160	-	26,259	162,136	179,580	(17,444)	-10%	359,160
Executive and council		-	63,157	-	5,314	29,065	31,578	(2,513)	-8%	63,157
Finance and administration		-	296,003	-	20,945	133,071	148,002	(14,931)	-10%	296,003
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	44,968	-	4,137	25,806	27,462	(1,656)	-6%	44,968
Community and social services		-	23,194	-	1,811	13,620	16,575	(2,955)	-18%	23,194
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	21,774	-	2,326	12,187	10,887	1,299	12%	21,774
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	137,982	-	8,403	32,820	68,991	(36,171)	-52%	137,982
Planning and development		-	29,955	-	1,520	7,531	14,978	(7,447)	-50%	29,955
Road transport		-	108,026	-	6,884	25,289	54,013	(28,725)	-53%	108,026
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	42,137	-	1,461	7,205	21,069	(13,864)	-66%	42,137
Energy sources		-	10,000	-	-	-	5,000	(5,000)	-100%	10,000
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	32,137	-	1,461	7,205	16,069	(8,864)	-55%	32,137
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	-	584,247	-	40,261	227,967	297,102	(69,135)	-23%	584,247
<b>Surplus/ (Deficit) for the year</b>		-	49,555	-	76,614	104,265	19,746	84,518	428%	49,555

LIM476 LIM476 - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year Assessment

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - Executive and council	1	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	502,805	-	107,312	324,795	167,567	157,229	93.8%	502,805
Vote 3 - Community and Social Services		-	22,072	-	529	1,239	7,357	(6,118)	-83.2%	22,072
Vote 4 - Economic and environmental services		-	97,355	-	10,504	14,864	48,678	(33,814)	-69.5%	97,355
Vote 5 - Waste management		-	11,570	-	(1,470)	(8,667)	5,785	(14,452)	-249.8%	11,570
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	633,802	-	116,875	332,231	229,386	102,845	44.8%	633,802
<b>Expenditure by Vote</b>										
Vote 1 - Executive and council	1	-	63,157	-	5,314	29,065	29,517	(451)	-1.5%	63,157
Vote 2 - Finance and Administration		-	296,003	-	20,945	133,071	148,002	(14,931)	-10.1%	296,003
Vote 3 - Community and Social Services		-	44,968	-	4,137	25,806	18,737	7,069	37.7%	44,968
Vote 4 - Economic and environmental services		-	137,982	-	8,403	32,820	57,492	(24,673)	-42.9%	137,982
Vote 5 - Waste management		-	32,137	-	1,461	7,205	16,069	(8,864)	-55.2%	32,137
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	574,247	-	40,261	227,967	269,816	(41,849)	-15.5%	574,247
<b>Surplus/ (Deficit) for the year</b>	2	-	59,555	-	76,614	104,265	(40,430)	144,695	-357.9%	59,555

LIM476 LIM476 - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		107,248	123,856		7,934	77,474	61,928	15,546	25%	123,856
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse revenue		14,209	11,479		1,089	6,468	5,740	728	13%	11,479
Service charges - other										
Rental of facilities and equipment		271	575		45	53	288	(234)	-81%	575
Interest earned - external investments		9,039	11,519		2,002	10,839	5,759	5,080	88%	11,519
Interest earned - outstanding debtors			11,719		6,511	8,393	5,860	2,533	43%	11,719
Dividends received										
Fines, penalties and forfeits		3,214	14,436		11	130	7,218	(7,088)	-98%	14,436
Licences and permits		7,283	13,846		509	4,368	6,923	(2,554)	-37%	13,846
Agency services			4,274		434	1,084	2,137	(1,054)	-49%	4,274
Transfers and subsidies		272,066	352,892		98,825	239,378	176,446	62,932	36%	352,892
Other revenue		25,960	3,342		74	379	1,671	(1,293)	-77%	3,342
Gains on disposal of PPE										
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>439,290</b>	<b>547,939</b>	<b>-</b>	<b>117,432</b>	<b>348,565</b>	<b>273,969</b>	<b>74,596</b>	<b>27%</b>	<b>547,939</b>
<b>Expenditure By Type</b>										
Employee related costs		124,147	163,899		12,747	81,121	81,949	(829)	-1%	163,899
Remuneration of councillors		23,358	24,099		2,072	12,706	12,050	657	5%	24,099
Debt impairment		(20,372)	30,000		2,500	15,000	15,000	-		30,000
Depreciation & asset impairment		95,739	90,000		7,500	45,000	45,000	-		90,000
Finance charges		2,082	1,725		-	520	863	(343)	-40%	1,725
Bulk purchases		154								
Other materials		50,099	72,748		4,726	8,857	36,374	(27,517)	-76%	72,748
Contracted services		50,995	79,838		2,479	29,030	39,919	(10,889)	-27%	79,838
Transfers and subsidies		5,465	4,000		727	3,446	2,000	1,446	72%	4,000
Other expenditure		89,407	117,938		7,510	32,288	58,969	(26,681)	-45%	117,938
Loss on disposal of PPE										
<b>Total Expenditure</b>		<b>421,075</b>	<b>584,247</b>	<b>-</b>	<b>40,261</b>	<b>227,966</b>	<b>292,124</b>	<b>(64,157)</b>	<b>-22%</b>	<b>584,247</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (financially attributable)		18,215	(36,308)		77,171	120,599	(18,154)	138,753	(0)	(36,308)
(National / Provincial and District)		104,970	85,863		12,694	39,267	42,932	(3,664)	(0)	85,863
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers and subsidies - capital (in-kind - all)										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>123,185</b>	<b>49,555</b>	<b>-</b>	<b>89,865</b>	<b>159,866</b>	<b>24,777</b>			<b>49,555</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>		<b>123,185</b>	<b>49,555</b>	<b>-</b>	<b>89,865</b>	<b>159,866</b>	<b>24,777</b>			<b>49,555</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>123,185</b>	<b>49,555</b>	<b>-</b>	<b>89,865</b>	<b>159,866</b>	<b>24,777</b>			<b>49,555</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>123,185</b>	<b>49,555</b>	<b>-</b>	<b>89,865</b>	<b>159,866</b>	<b>24,777</b>			<b>49,555</b>



LIM476 LIM476 - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		-	4,020	-	614	2,756	2,010	746	37%	4,020
Executive and council								-		
Finance and administration			4,020		614	2,756	2,010	746	37%	4,020
Internal audit								-		
<i>Community and public safety</i>		-	45,345	-	125	7,169	22,672	(15,503)	-68%	45,345
Community and social services			25,500			6,437	12,750	(6,313)	-50%	25,500
Sport and recreation			10,345			-	5,172	(5,172)	-100%	10,345
Public safety			9,500		125	732	4,750	(4,018)	-85%	9,500
Housing								-		
Health								-		
<i>Economic and environmental services</i>		-	90,074	-	16,133	51,140	45,037	6,103	14%	90,074
Planning and development			6,000			-	3,000	(3,000)	-100%	6,000
Road transport			84,074		16,133	51,140	42,037	9,103	22%	84,074
Environmental protection								-		
<i>Trading services</i>		-	1,000	-	-	-	417	(417)	-100%	1,000
Energy sources								-		
Water management			1,000				417	(417)	-100%	1,000
Waste water management								-		
Waste management								-		
<i>Other</i>								-		
<b>Total Capital Expenditure - Functional Classification</b>	3	-	140,438	-	16,872	61,066	70,136	(9,070)	-13%	140,438
<b>Funded by:</b>										
National Government			81,478		16,133	51,140	40,739	10,401	26%	81,478
Provincial Government								-		
District Municipality								-		
Other transfers and grants								-		
Transfers recognised - capital		-	81,478	-	16,133	51,140	40,739	10,401	26%	81,478
Public contributions & donations	5							-		
Borrowing	6							-		
Internally generated funds			58,960		739	9,926	29,480	(19,554)	-66%	58,960
<b>Total Capital Funding</b>		-	140,438	-	16,872	61,066	70,219	(9,153)	-13%	140,438

Description	Ref	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		208,341	52,193		113,191	52,193
Call investment deposits			78,762		209,454	78,762
Consumer debtors		195,689	157,786		237,580	157,786
Other debtors		48,469	7,452		41,426	7,452
Current portion of long-term receivables			2,012		10,542	2,012
Inventory		1,284	2,357		1,886	2,357
<b>Total current assets</b>		<b>453,784</b>	<b>300,562</b>	<b>-</b>	<b>614,078</b>	<b>300,562</b>
<b>Non current assets</b>						
Long-term receivables						
Investments						
Investment property		162,495	149,335		138,435	149,335
Investments in Associate						-
Property, plant and equipment		2,222,690	1,222,690		1,379,447	1,222,690
Agricultural						-
Biological assets						-
Intangible assets		48	283		501	283
Other non-current assets		1,068	105		105	105
<b>Total non current assets</b>		<b>2,386,301</b>	<b>1,372,412</b>	<b>-</b>	<b>1,518,488</b>	<b>1,372,412</b>
<b>TOTAL ASSETS</b>		<b>2,840,084</b>	<b>1,672,974</b>	<b>-</b>	<b>2,132,566</b>	<b>1,672,974</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft						
Borrowing						
Consumer deposits						
Trade and other payables		171,968			58,294	-
Provisions		11,191			76,830	-
<b>Total current liabilities</b>		<b>183,159</b>	<b>-</b>	<b>-</b>	<b>135,125</b>	<b>-</b>
<b>Non current liabilities</b>						
Borrowing					13,066	-
Provisions		61,716			54,836	-
<b>Total non current liabilities</b>		<b>61,716</b>	<b>-</b>	<b>-</b>	<b>67,902</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>244,875</b>	<b>-</b>	<b>-</b>	<b>203,026</b>	<b>-</b>
<b>NET ASSETS</b>	2	<b>2,595,209</b>	<b>1,672,974</b>	<b>-</b>	<b>1,929,540</b>	<b>1,672,974</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		2,595,209	1,831,093		1,929,540	1,831,093
Reserves						
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>2,595,209</b>	<b>1,831,093</b>	<b>-</b>	<b>1,929,540</b>	<b>1,831,093</b>

LIM476 LIM476 - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	Budget Year 2017/18								
		2016/17 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		45,794	74,314		9,416	19,623	37,157	(17,533)	-47%	74,314
Service charges		14,209	8,099		1,416	7,178	4,050	3,128	77%	8,099
Other revenue		5,031	15,927			13,811	7,964	5,848	73%	15,927
Government - operating		350,246	343,882		98,825	243,500	243,500	0	0%	343,882
Government - capital		95,383	95,863		25,294	72,959	72,959	-		95,863
Interest		9,039	13,878		2,002	10,839	6,939	3,900	56%	13,878
Dividends										
<b>Payments</b>										
Suppliers and employees		(383,867)	(439,794)		(30,261)	(198,227)	(219,897)	(21,670)	10%	(439,794)
Finance charges		(1,537)	(1,725)		-	(520)	(863)	(343)	40%	(1,725)
Transfers and Grants		(5,313)	(4,000)		(727)	(2,716)	(2,000)	716	-36%	(4,000)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>128,986</b>	<b>106,444</b>	<b>-</b>	<b>105,965</b>	<b>166,449</b>	<b>149,808</b>	<b>(16,640)</b>	<b>-11%</b>	<b>106,444</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		114,893	389,180							
Decrease (increase) in non-current debtors			1,537							
Decrease (increase) other non-current receivables										
Decrease (increase) in non-current investments										
<b>Payments</b>										
Capital assets		(110,753)	(142,622)		(10,159)	(40,734)	(59,426)	(18,692)	31%	(142,622)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>4,140</b>	<b>248,095</b>	<b>-</b>	<b>(10,159)</b>	<b>(40,734)</b>	<b>(59,426)</b>	<b>(18,692)</b>	<b>31%</b>	<b>(142,622)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
<b>Payments</b>										
Repayment of borrowing		(911)	(1,100)		-	(1,004)	(550)	454	-82%	(1,100)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(911)</b>	<b>(1,100)</b>	<b>-</b>	<b>-</b>	<b>(1,004)</b>	<b>(550)</b>	<b>454</b>	<b>-82%</b>	<b>(1,100)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>132,215</b>	<b>353,439</b>	<b>-</b>	<b>95,806</b>	<b>124,711</b>	<b>89,832</b>			<b>(37,278)</b>
Cash/cash equivalents at beginning:		76,126	168,234			197,933	168,234			197,933
Cash/cash equivalents at month/year end:		208,341	521,672			322,645	258,066			160,655

LIM476 LIM476 - Supporting Table SC1 Material variance explanations - Mid-Year Assessment

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	<b>R thousands</b>			
1	<u>Revenue By Source</u>			
	Rental of facilities and equipment	81%	This was mainly due to under-utilization of some facilities (Civic Hall, Community halls) at Apel regional office.	In this regard there might be a need for adjustment as this revenue stream has been over budgeted.  Corrective measures has to be imposed against this non payers by applying credit control and debt collection mechanisms and promoting culture for payments
	Fines, penalties and forfeits	98%	Non-payment from offenders.	
	Licences and permits	37%	This was mainly due to non-functioning of the station at Apel Regional office which was temporarily closed due to theft.	The revenue source will improve during the 3rd quarter as the station is now fully operational.
	Agency services	49%	This amount is informed by the collection rate above as the municipality receives 20% of collection from motor vehicle registration.	The revenue source will improve during the 3rd quarter as the station is now fully operational.
	Other revenue	77%	Inadequate collection on sale of tenders	In this regard there might be a need for adjustment as this revenue stream has been over budgeted.
2	<u>Expenditure By Type</u>			
	Finance charges	40%	This is mainly due to repayment of interest on loan paid bi-annually	The spending will improve during the third quarter
	Other materials	76%	Other materials underperformed by 76% due to repairs and maintenance of other assets (Re-gravelling of roads) which is committed during December 2017.	An amount of R 47,856 m is committed and will improve the spending from January 2018.
	Contracted services	27%	The under expenditure of 27% on Contracted Services during the mid-year ended December 2017 emanates from Refuse removal services which was over budgeted.	There will be a need for adjusted during February 2018.
	Other Expenditure	45%	The under expenditure of 45% for other expenditure is mainly due to operational projects which were not implemented during the 1st and 2nd quarter.	The spending patterns will be revisited and adjusted accordingly during adjustment budget
3	<u>Capital Expenditure</u>			
	Township Establishment/Land Acquisition	100%	Service provider appointed during the 2nd quarter	Spending will improve during the 3rd quarter
	Construction of sports complex	100%	Service provider appointed during the 2nd quarter	Spending will improve during the 3rd quarter
4	<u>Financial Position</u>			
5	<u>Cash Flow</u>			
	Property Rates	47%	Reluctance of customers to pay for rates	impose culture of payment and strict debt collection mechanisms. Encourage customers to pay by allowing them a discount for paying rates within 30 days.
	Transfers and Subsidies	36%	This is mainly due to Free basic electricity which is paid during the 3rd to 4th quarter	Spending patterns will improve during the 4th quarter
	Repayment of Borrowing	82%	This is mainly due to capital repayment on loan paid bi-annually	The spending will improve during the third quarter
6	<u>Measureable performance</u>			
7	<u>Municipal Entities</u>			

LIM476 LIM476 - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-Year Assessment

Description of financial indicator	Basis of calculation	Ref	2016/17	Budget Year 2017/18			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.3%	15.7%	0.0%	0.2%	4.4%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure ex cl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		6.6%	0.0%	0.0%	3.7%	0.0%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>							
Current Ratio	Current assets/current liabilities	1	247.8%	0.0%	0.0%	454.5%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		113.7%	0.0%	0.0%	238.8%	0.0%
<b>Revenue Management</b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		55.6%	30.5%	0.0%	83.1%	30.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b>Funding of Provisions</b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b>Other Indicators</b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		28.3%	29.9%	0.0%	23.3%	29.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		22.3%	16.7%	0.0%	0.1%	4.7%
<b>IDP regulation financial viability indicators</b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

LIM476 LIM476 - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description		Budget Year 2017/18										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total					
NT Code															
<b>R thousands</b>															
<b>Debtors Age Analysis By Income Source</b>															
1200	Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1300	Trade and Other Receivables from Exchange Transactions - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1400	Receivables from Non-exchange Transactions - Property Rates	13,926	13,926	4,223	4,068	4,048	3,979	146,847	191,007	158,932	19,058	-	-	-	-
1500	Receivables from Exchange Transactions - Waste Water Management	-	2,777	1,184	1,152	1,143	1,129	37,592	47,744	41,006	8,022	-	-	-	-
1600	Receivables from Exchange Transactions - Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1700	Receivables from Exchange Transactions - Property Rental Debtors	3,620	3,620	1,767	1,723	1,691	1,296	36,965	50,682	41,675	-	-	-	-	-
1810	Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1820	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	(6,074)	(6,074)	8	2	3	1	1,707	(10,427)	1,713	-	-	-	-	-
1900	Other	14,249	14,249	7,182	6,935	6,885	6,405	223,101	279,006	243,326	27,080	-	-	-	-
2000	<b>Total By Income Source</b>	14,249	14,249	7,182	6,935	6,885	6,405	223,101	279,006	243,326	27,080	-	-	-	-
<b>2016/17 - totals only</b>															
<b>Debtors Age Analysis By Customer Group</b>															
2200	Organs of State	-	5,306	5,826	4,785	4,085	32,271	3,746	56,019	50,713	19,058	-	-	-	-
2300	Commercial	-	4	2,087	1,092	803	792	797	5,576	5,572	-	-	-	-	-
2400	Households	-	-	1,032	752	678	668	1,159	4,290	4,290	-	-	-	-	-
2500	Other	-	8,939	(1,763)	305	1,318	(27,326)	231,648	213,121	204,182	8,022	-	-	-	-
2600	<b>Total By Customer Group</b>	-	14,249	7,182	6,935	6,885	6,406	237,350	279,006	264,757	27,080	-	-	-	-

LIM476 LIM476 - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description		Budget Year 2017/18										Total	Prior year totals for chart (same period)	
		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					
NT Code														
<b>R thousands</b>														
<b>Creditors Age Analysis By Customer Type</b>														
0100	Bulk Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-
0200	Bulk Water	-	-	-	-	-	-	-	-	-	-	-	-	-
0300	PAYE deductions	-	-	-	-	-	-	-	-	-	-	-	-	-
0400	VAT (output less input)	-	-	-	-	-	-	-	-	-	-	-	-	-
0500	Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-	-	-	-
0600	Loan repayments	-	-	-	-	-	-	-	-	-	-	-	-	-
0700	Trade Creditors	15,914	12	123	-	-	-	-	-	-	16,048	-	-	-
0800	Auditor General	-	-	-	-	-	-	-	-	-	-	-	-	-
0900	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
1000	<b>Total By Customer Type</b>	15,914	12	123	-	-	-	-	-	-	16,048	-	-	-

LIM476 LIM476 - Supporting Table S C5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

R thousands	Investments by maturity Name of institution & investment ID	Ref	Period of investment	Type of investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
			Yrs/Months							
	<b>Municipality</b>			Money Market						
	FNB			Fixed		-		-		-
	FNB			Call		-		-		-
	STD CALL Acc			Call		1		46		47
	FNB			Call		0		77		78
	VBS MUTUAL BANK			Call		-		101,221		103,814
	VBS MUTUAL BANK			Call		1,231		41,813		73,044
	VBS MUTUAL BANK			Call		563		31,907		32,470
	<b>Municipality sub-total</b>					1,796		175,065		209,454
	<b>Entities</b>									
	Entities sub-total					-		-		-
	<b>TOTAL INVESTMENTS AND INTEREST</b>	2				1,796		175,065		209,454

LIM476 LIM476 - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
National Government:	1,2	-	352,892	-	98,825	244,986	242,535	2,131	0.9%	352,892
Local Government Equitable Share			333,002		98,825	237,577	237,577	-		333,002
Finance Management			4,045		-	4,045	4,045			4,045
EPWP Incentive			1,279		-	320	-			1,279
Integrated National Electrification Programme			10,000		-	-	-			10,000
	3									
Municipal Demarcation Grant			4,566		-	3,044	913	2,131	233.3%	4,566

LIM476 LIM476 - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	352,892	-	40,261	102,463	171,454	(68,991)	-40.2%	352,892
Local Government Equitable Share			333,002		39,519	96,908	166,501	(69,593)	-41.8%	333,002
Finance Management			4,045		475	1,275	2,023	(748)	-37.0%	4,045
EPWP Incentive			1,279		-	1,332	640	693	108.4%	1,279
Integrated National Electrification Programme			10,000		-	1,669	8	1,661	21363.7%	10,000
Municipal Demarcation Grant			4,566		267	1,279	2,283	(1,004)	-44.0%	4,566



LIM476 LIM476 - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councillor remuneration	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages			14,236		1,447	8,634	5,932	2,702	46%	14,236
Pension and UIF Contributions			2,512				1,047	(1,047)	-100%	2,512
Medical Aid Contributions							-	-		-
Motor Vehicle Allowance			5,583		476	3,180	2,326	854	37%	5,583
Cellphone Allowance			1,768		151	892	737	156	21%	1,768
Housing Allowances							-	-		
Other benefits and allowances							-	-		
<b>Sub Total - Councillors</b>			24,099		2,074	12,706	10,041	2,665	27%	24,099
% increase	4		#DIV/0!							#DIV/0!
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages			6,176		199	1,782	2,573	(791)	-31%	6,176
Pension and UIF Contributions			673		0	68	281	(213)	-76%	673
Medical Aid Contributions							-	-		-
Overtime							-	-		-
Performance Bonus			803				334	(334)	-100%	803
Motor Vehicle Allowance			967		22	136	403	(266)	-66%	967
Cellphone Allowance			108		5	34	45	(11)	-24%	108
Housing Allowances			104			19	43	(24)	-57%	104
Other benefits and allowances			297		1	84	124	(39)	-32%	297
Payments in lieu of leave							-	-		
Long service awards							-	-		
Post-retirement benefit obligations							-	-		
<b>Sub Total - Senior Managers of Municipality</b>			9,127		227	2,124	3,803	(1,679)	-44%	9,127
% increase	4		#DIV/0!							#DIV/0!
<b>Other Municipal Staff</b>										
Basic Salaries and Wages			86,908		8,568	53,492	36,212	17,280	48%	86,908
Pension and UIF Contributions			21,700		1,385	8,930	9,041	(111)	-1%	21,700
Medical Aid Contributions			7,517		707	4,930	3,132	1,798	57%	7,517
Overtime			2,465		232	1,264	1,027	237	23%	2,465
Performance Bonus			1,500				625	(625)	-100%	1,500
Motor Vehicle Allowance			17,169		1,357	9,285	7,154	2,131	30%	17,169
Cellphone Allowance			4,259		178	943	1,775	(832)	-47%	4,259
Housing Allowances			1,395		150	643	581	62	11%	1,395
Other benefits and allowances			11,861		172	1,634	4,942	(3,308)	-67%	11,861
Payments in lieu of leave							-	-		
Long service awards							-	-		
Post-retirement benefit obligations							-	-		
<b>Sub Total - Other Municipal Staff</b>			154,772		12,747	81,121	64,488	16,633	26%	154,772
% increase	4		#DIV/0!							#DIV/0!
<b>Total Parent Municipality</b>			187,998		15,049	95,952	78,333	17,620	22%	187,998

LIM476 LIM476 - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Mid-Year Assessment

Description	Ref	Budget Year 2017/18												2017/18 Medium Term Revenue & Expenditure Framework				
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20		
<b>Cash Receipts By Source</b>																		
Property rates		4,753	9,416	3,870	7,934	24,125							73,759	123,858	132,626	141,803		
Service charges - electricity revenue													-	-	-	-	-	
Service charges - water revenue													-	-	-	-	-	
Service charges - sanitation revenue													5,023	11,479	12,283	13,142		
Service charges - refuse		382	1,416	383	1,089	3,167							485	575	615	658		
Service charges - other													4,066	11,519	12,325	13,188		
Rental of facilities and equipment					45	45							4,066	11,519	12,325	13,188		
Interest earned - external investments		2,002	787	1,036	2,002	1,626							(3,662)	11,719	12,540	13,417		
Interest earned - outstanding debtors		71	2,002	287	6,511	6,511							-	-	-	-	-	
Dividends received					22	11	9						14,384	14,436	15,432	16,497		
Fines, penalties and forfeits					1,576	509	594						11,167	13,846	14,773	15,763		
Licences and permits							594						2,055	4,274	4,550	4,844		
Agency services							886						208,733	352,892	416,028	424,724		
Transfer receipts - operating		142,317	320	1,522	-	-	-						3,068	3,342	3,576	3,828		
Other revenue				88	74	112							-	-	-	-	-	
<b>Cash Receipts by Source</b>		<b>148,525</b>	<b>13,941</b>	<b>8,783</b>	<b>18,607</b>	<b>37,095</b>							<b>319,987</b>	<b>547,939</b>	<b>623,646</b>	<b>647,664</b>		
<b>Other Cash Flows by Source</b>																		
Transfer receipts - capital		47,665											38,198	85,883	90,875	96,165		
Contributions & Contributed assets													-	-	-	-	-	
Proceeds on disposal of PPE													-	-	-	-	-	
Short term loans													-	-	-	-	-	
Borrowing long term/refinancing													-	-	-	-	-	
Increase in consumer deposits													-	-	-	-	-	
Receipt of non-current debtors													-	-	-	-	-	
Receipt of non-current receivables													-	-	-	-	-	
Change in non-current investments													-	-	-	-	-	
<b>Total Cash Receipts by Source</b>		<b>197,190</b>	<b>13,941</b>	<b>8,783</b>	<b>18,607</b>	<b>37,095</b>							<b>358,185</b>	<b>633,822</b>	<b>714,521</b>	<b>744,029</b>		
<b>Cash Payments by Type</b>																		
Employee related costs		11,097	12,006	30,308	12,747	14,032							83,708	153,899	174,363	185,490		
Remuneration of councillors		2,431	2,452	4,884	2,074	843							11,415	24,099	25,786	27,581		
Interest paid						12,720							(10,995)	1,725	1,846	1,975		
Bulk purchases - Electricity						7,500							(7,500)	-	-	-	-	
Bulk purchases - Water & Sewer													-	-	-	-	-	
Other materials				70	4,726								67,852	72,748	33,826	36,344		
Contracted services				13,740	2,479	589							63,020	79,838	77,586	78,712		
Grants and subsidies paid - other municipalities						5,166							(5,166)	-	-	-	-	
Grants and subsidies paid - other				925	727	731							1,618	4,000	4,500	5,000		
General expenses		12,347	11,389	5,143	7,510	9,621							71,928	117,838	156,058	168,999		
<b>Cash Payments by Type</b>		<b>25,875</b>	<b>25,847</b>	<b>55,089</b>	<b>30,283</b>	<b>51,211</b>							<b>275,982</b>	<b>464,247</b>	<b>473,993</b>	<b>504,111</b>		
<b>Other Cash Flows/Payments by Type</b>																		
Capital assets		3,413	10,159	8,156	16,872								47,263	85,883	90,875	96,165		
Repayment of borrowing				1,004									(1,004)	-	-	-	-	
<b>Other Cash Flows/Payments</b>																		
<b>Total Cash Payments by Type</b>		<b>29,288</b>	<b>36,006</b>	<b>64,229</b>	<b>47,135</b>	<b>51,211</b>							<b>322,241</b>	<b>550,110</b>	<b>564,838</b>	<b>600,276</b>		
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>167,902</b>	<b>(22,065)</b>	<b>(55,445)</b>	<b>(28,528)</b>	<b>(14,117)</b>							<b>35,944</b>	<b>83,692</b>	<b>149,883</b>	<b>143,753</b>		
Cash/cash equivalents at the monthly year beginning:		197,933	365,936	343,771	288,326	259,798	245,681	245,681	245,681	245,681	245,681	245,681	245,681	197,933	281,525	431,308		
Cash/cash equivalents at the monthly year end:		365,836	343,771	288,326	259,798	245,681	245,681	245,681	245,681	245,681	245,681	245,681	245,681	281,625	431,308	575,061		

Month	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July		7,155		4,255	4,255	7,155	2,901	40.5%	5%
August		7,155		7,976	12,231	14,311	2,079	14.5%	14%
September		7,155		6,433	18,665	21,466	2,801	13.0%	22%
October		7,155		11,483	30,148	28,621	(1,527)	-5.3%	35%
November		7,155		7,609	37,757	35,776	(1,981)	-5.5%	44%
December		7,155		16,872	54,629	42,932	(11,698)	-27.2%	64%
January		7,155				50,087	-		
February		7,155				57,242	-		
March		7,155				64,397	-		
April		7,155				71,553	-		
May		7,155				78,708	-		
June		7,155				85,863	-		
<b>Total Capital expenditure</b>	-	<b>85,863</b>	-	<b>54,629</b>					

LIM476 LIM476 - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Mid-Year Assessment

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>	1	-	98,574	-	16,133	54,629	41,072	(13,556)	-33.0%	98,574
Roads Infrastructure		-	71,074	-	16,133	54,629	29,614	(25,015)	-84.5%	71,074
Roads			71,074		16,133	54,629	29,614	(25,015)	-84.5%	71,074
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	4,000	-	-	-	1,667	1,667	100.0%	4,000
Drainage Collection			4,000				1,667	1,667	100.0%	4,000
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	2,500	-	-	-	1,042	1,042	100.0%	2,500
Power Plants										
HV Substations			2,500				1,042	1,042	100.0%	2,500
HV Switching Station										
HV Transmission Conductors										
MV Substations										

LIM476 LIM476 - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Mid-Year

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	67,010	-	3,866	6,574	27,921	21,347	78.5%	67,010
Roads Infrastructure		-	60,032	-	3,207	5,341	25,013	19,673	78.6%	60,032
Roads			60,032		3,207	5,341	25,013	19,673	78.6%	60,032
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	6,500	-	659	855	2,708	1,853	68.4%	6,500
Power Plants			6,500		659	855	2,708	1,853	68.4%	6,500
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		-	152	-	-	-	63	63	100.0%	152
Dams and Weirs										
Boreholes			152				63	63	100.0%	152

LIM476 LIM476 - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Mid-Year Assessment

Description	Ref	Budget Year 2017/18								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	90,000	-	7,500	37,500	37,500			90,000
Roads Infrastructure		-	90,000	-	7,500	37,500	37,500	-		90,000
Roads			90,000		7,500	37,500	37,500	-		90,000
Road Structures								-		
Transport Assets								-		
<b>Libraries</b>		-	-	-	-	-	-	-		-
Libraries								-		
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals								-		
<b>Total Depreciation</b>	1	-	90,000	-	7,500	37,500	37,500	-		90,000

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