

2020

Makhado Local Municipality (LIM344)

Chief Financial Officer



Section 71 report for Month Ending 30 September 2019

ITEM

FINANCES: IN YEAR MONITORING AND REPORTING: MONTH ENDING 30 SEPTEMBER 2019 (6/1/1(2019/2020))

Report of Chief Financial Officer

STRATEGIC OBJECTIVE

The strategic objective of this matter is under sound financial management and viability.

SUMMARY

The purpose of submitting the above mentioned report to management committee for consideration.

BACKGROUND

In terms of the MFMA act 56 of 2003 section 71(1) - requires the accounting officer by no later than 10 working days after the end of each month submit to the Mayor of the Municipality and the relevant provincial treasury a statement of the municipalities budget performance performance).The accounting officer of the Makhado municipality had prepared a statement of report actual revenue, actual expenditure, actual capital expenditure and projection of income and expenditure of the municipality on a monthly basis.

1. ANALYSIS FROM REPORTS FROM INCOME AND EXPENDITURE FOR THE MONTH ENDING 30 SEPTEMBER 2019

SUMMARY: INCOME AND EXPENDITURE REPORT PERFORMANCE

The actual operational income for Month of September 2019 is R 53 077 million and actual to date is R 275 730 million. The operational expenditure for the same period is R 96 521 million and actual to date is R 243 810 million.

Summary overall budgeted and actual expenditure

Types of Budget	Budget	Budget Spent	% Spent	Variance
Operational	R 958 million	R 244 million	25%	R 714 million
Capital	R 203 million	R 22 million	11%	R 181 million
Total	R 1.161 billion	R 266 million	23%	R 895 million

Figure 1: Summary Budget and overall current expenditure

The municipality's annual operational budget is R 958 million and capital budget is R 203 million and the amount of R 244 million and R 22 million was spent respectively. This represents 25% spending on operational budget as well as 11% spending on capital budget. Overall spending is R 266 million against the approved annual budget of R 1 billion and this represent 23% spending of the budget.

2. APPROVED CONDITIONAL GRANT

Grant Name	Budget	Actual received	Actual to date received	Actual Expenditure	Expenditure to date	Unspent	% Spent
Municipal Infra Structure Grant	R 89.577 million	R 0	R 40 .309 million	R 9 397 million	R 14 959 million	R 25 350 million	17%
Integrated National Electricity Program	R 20.000 million	R 0	R 8 million		R 1 308 million	R 6.692 million	7%
Financial Management Grant	R 1.700 million	R	R 1 700 million	R 275 thousands	R 425 thousands million	R 1 275million	25%
Expanded Public Works Program	R1. 863 million	R	R 466 thousands	R 155 thousands	R 466 thousands	0	25%
Total	R 113.140 million	0	R 50 475 million	R 9.827 million	R 17 158 million	R 33 317 million	6%

1. Municipal infrastructure Grant (MIG)

The actual amount received for the Month of September 2019 is zero and to date is R 40 309 million and actual expenditure for the Month of September 2019 is R 9 397 million and to date is R 14 959 million that represent 17 % of expenditure against approved allocation of R 89.577 million.

2. Integrated National Electricity Programme (INEP)

The actual amount received for the Month of September 2019 is zero and to date is R 8 000 million and actual expenditure for the month of September 2019 is zero and to date is R 1 308 million which represent 7% of expenditure against approved allocation of R 20 000 million.

3. Financial Management Grant (FMG)

The actual amount received for the Month of September 2019 is zero and to date is R 1.700 million and actual expenditure for the Month of September 2019 is R 275 thousands and to date is R 425 thousands that represents 25% against the approved allocation of R 1 .7 million.

4. Expanded Public Works Programme (EPWP)

The actual amount received for the Month of September 2019 is zero and to date is R 466 thousands and actual expenditure for the month of September 2019 is R 155 and to date is R 466 which represents 25% spending against the approved budget of R 1 .863 million.

REVENUE AND EXPENDITURE

LIM344 Makhado - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	71 424	70 363		6 427	19 222	17 591	1 632	9%	70 363
Service charges - electricity revenue	322 851	373 218		29 059	80 032	93 305	(13 273)	-14%	373 218
Service charges - refuse revenue	11 369	9 824		934	2 760	2 456	304	12%	9 824
Rental of facilities and equipment	352	346		17	54	87	(33)	-38%	346
Interest earned - external investments	28	54		3	9	14	(5)	-34%	54
Interest earned - outstanding debtors	19 712	20 345		1 719	5 173	5 086	86	2%	20 345
Dividends received	-	-		-	-	-	-		-
Fines, penalties and forfeits	1 662	1 848		104	968	462	506	110%	1 848
Licences and permits	7 400	13 922		602	1 916	3 480	(1 565)	-45%	13 922
Transfers and subsidies	321 083	361 091		-	151 136	90 273	60 863	67%	361 091
Other revenue	15 631	109 883		14 212	14 460	27 471	(13 011)	-47%	109 883
Total Revenue	771 512	960 894	-	53 077	275 730	240 223	35 506	15%	960 894

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Expenditure By Type									
Employee related costs	248 321	284 371		20 438	61 899	71 093	(9 194)	-13%	284 371
Remuneration of councillors	26 457	28 554		2 159	6 562	7 138	(576)	-8%	28 554
Debt impairment	83 484	45 000		16 745	16 931	11 250	5 681	50%	45 000
Depreciation & asset impairment	95 425	100 000		11 762	32 656	25 000	7 656	31%	100 000
Finance charges	10 080	6 752		-	-	1 688	(1 688)	-100%	6 752
Bulk purchases	193 562	242 406		29 793	89 443	60 602	28 842	48%	242 406
Other materials	27 022	38 935		4 693	6 762	9 734	(2 972)	-31%	38 935
Contracted services	74 284	68 183		9 057	16 899	17 046	(146)	-1%	68 183
Transfers and subsidies	-	-		-	-	-	-		-
Other expenditure	57 596	144 773		1 873	12 658	36 193	(23 535)	-65%	144 773
Total Expenditure	816 231	958 975	-	96 521	243 810	239 744	4 066	2%	958 975

3. SIGNIFICANT VARIANCES ANALYSIS OF REVENUE AND EXPENDITURE PERFORMANCE

3.1 Revenue

3.1.1 Licenses and Permits

The actual licenses and permits collected for the month of September 2019 is R 602 thousands and to date is R 1 916 million compared with the R 3 480 million projections which results to 55% collection rates based on the projected revenue of R 3 480 million.

3.2 Expenditure

3.2.1 Debt Impairment

This is non-cash item and expenditure for the month of September 2019 is R 16 745 million and to date is R 16 931 compared to the projection of R 11 250 million, the full assessment of debtors impairment has been done to end of Sept 2019.

3.2.2 Depreciation & asset impairment

This is non-cash item and expenditure for the month of September 2019 is R 11 762 million and to date is R 32 656 million compared to the projection of R 25 million.

3.2.3 Contracted Services, Other Materials and other Expenditure

The contracted services expenditure for the month of September 2019 is R 15 623 million and to date is R 36 319 million compared to projected expenditure of R 62 973 million which results in under spending by 58% spending.

4. **CAPITAL EXPENDITURE.**

The Actual Capital expenditure for the month of September 2019 is R 14 513 million and to date is R 22 006 million which result to 11% spending against the approved budget of R 203 377 million. The expenditure percentage increased due to 11% spending on conditional grants projects and other own funded projects.

CODE	DEPARTMENT	BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Planning and Development	R 18 250 000.00	R 0	R 18 250 000.00	0%
SC	Technical Services	R 136,174,989.57	R 14 962 818.80	R 128 895 483.44	11%
SC	Community Services	R 5,300,000.00	R 213 500.00	R 5 300 000.00	4%
SC	Budget and Treasury	R 30 950 ,000.00	R 6 829 623.39	R 30 950 000.00	22%
SC	Corporate Services	R 6 ,594,000.00	R0	R 6 594 000.00	0%
SC	Regional Offices	R 6,109,000.00	R 0	R 6,109,000.00	0%
	TOTAL	R 203,377,989.57	R 22 005 942.19	R 181 872 047.38	11%

5. DEBTORS AGE ANALYSIS

DEBTORS AGE ANALYSIS

The amount outstanding from debtors as at August 2019 is R 245 280 365.16

LIM344 Makhado - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 Sept

Description	Budget Year						
	0-30 Days	31-60 Days	61-90 Days	2019/20 91-120 Days	121-150 Dys	Total	Total over 90 days
R thousands							
Debtors Age Analysis By Income Source							
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	19 547	5 448	2 103	2 489	40 358	69 946	42 847
Receivables from Non-exchange Transactions - Property Rates	5 290	2 984	2 720	2 429	75 088	88 511	77 517
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	805	497	446	672	13 668	16 089	14 340
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1 815	1 768	1 690	1 648	49 386	56 308	51 034
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-
Other	1 690	851	280	-80	11	14	11
Total By Income	29 147	11 548	7 238	7 159	190 187	245 280	197 344
Debtors Age Analysis By Customer							
Groups of	2	2	1	1	23	31	24
State	1 750	359	269	1 262	385	685	687
Household	284	943	233	472	990	1 322	982
Other	97	276	920	857	807	646	384
Total By Customer	29 147	11 548	7 238	7 159	190 187	245 280	197 344

Group

Debt Impairment

Debtors Age Analysis By Customer Group

Customer Group	Total Debt per Customer Group	Impairment Provided	Net Debt per Customer Group
Organs of State	R 31 025	(R 25 731)	R 5 294
Commercials	R 56 322	(R 46 712)	R 9 610
Households	R112 616	(R 93 401)	R 19 215
Others	R 45 317	(R 37 585)	R 7 732
Total By Customer Group	R245 280	(R203 430)	R41 850

Summary of Debt Impairment Narration

The Carrying Amount of Debt Provision for the year ending 30 June 2019 equals R186 940 687.

Allowance for debt impairment in the First Quarter of 2019/ 2020 Financial Year equals R16 689 186.

The actual debt written off during the first quarter equals R200 096.

That results in the amount of R 203 429 777.00 for the first quarter ending 30 September 2019.

The Net Debt Collectible equals R 41 850 000.

CHALLENGES THAT IMPACT ON COLLECTION

- The non-existent of electricity in R293 Towns such as Dzanani, Waterval, Vleifontein, excluding Tshikota.
- Illegal connections
- Government entities who are not paying the Municipality

STRATEGIES TO IMPROVE COLLECTION

- We will embark on a campaign to physically check meters that are not buying or buying electricity that is unreasonably too low because they raise a suspicion of illegal connection. This exercise can be executed with the assistance of Technical Department.
- All accounts with meters inside the yards will be identified and a request sent to Technical Department to have those meters removed and allocated to a point where they can be accessible.
- Credit Control will be applied to Government and business to be implemented without compromise.
- Enter into payment arrangement with VDM with on 96 million outstanding for water debt
- Installation of prepaid meter

ACTIONS ALREADY UNDERTAKEN

- Technical reports to address the above stated challenges were sent to the Department of Technical Services (Electrical Engineering) during the quarter, and that include reports such as the following:

Meters Faulty Report Summary

Type of Fault	No.
Bees In the Box	6
Unallocated Meters	200
Dogs in the Premises	1
Gates Locked	462
Meter Obstructed	1
Meters Damaged	69
Meters Disconnected	349
Meters Removed	274
Conventional replaced with Prepaid Meters	9
No route	16
Private Locks on Meters	35
Refused Entry	41
Total	1 463

SCM PROCESS

6. COMPETITIVE BIDDING PROCESSES ACTIVITY

ACTIVITY	Bids Advertise d	Evaluate d	Adjudicate d	Awarde d	BBB -EE	Re-Advertise d	Cancelle d
Balance B/F	11	-	-	-	-	-	-
July 2019	04	-	-	-	-	-	-
August 2019	03	06	06	02	-	-	-
September 2019	12	05	05	09			
Total to Date	30	11	11	11	-	-	-
ANNEXUR E	A	B	C	D	E	F	F

All requests for adverts were processed. At the end of September 2019, the following 04 bids were pending evaluation:

NO	BID NUMBER	BID DESCRIPTION	COMMENTS	CLOSING DATE
1	25 of 2019	Appointment of contractor to upgrading the 6.3km gravel to tar road from Chavani to Bungeni phase 2	Waiting for evaluation committee to evaluate	10 June 2019 at 12H00
2	28 of 2019	Panel of service provider for sourcing of grants and implementation of programmes on a risk based for a period of three (03) years	evaluation committee to evaluate	10 June 2019 at 12H00
3	37 / 2019	Supply and delivery of Office Furniture for the Makhado local municipality	evaluation committee to evaluate	19 August 2019 at 12H00
4	38 /2019	Refill, service, supply and delivery of council fire extinguishers for a period of three (03) years	evaluation committee to evaluate	26 August 2019 at 12H00
5	39 Of 2019	Rehabilitation of Fourway at commercial and main street (Eltivillas) from tar Road topaved road	evaluation committee to evaluate	16 September 2019 at 12H00
6	40 Of 2019	Panel of service providers for Supply and delivery of aggregates and sands for a period of three years	evaluation committee to evaluate	30 September 2019 at 12H00
7	42 of 2019	Repair of small equipment for a period of two years	evaluation committee to evaluate	30 September 2019 at 12H00

The following 12 bids were still on advert by the end of September 2019

NO	BID NUMBER	BID DESCRIPTION	CLOSING DATE
1	44 Of 2019	Supply and delivery of culverts pipe and round pipes	07 October 2019
2	45 Of 2019	Supply and delivery of pedestrian rollers	07 October 2019
3	46 Of 2019	Supply,delivery of materials,labour and construction of pavement at Machanical workshop	07 October 2019
4	47 of 2019	Renovation floor and tile at Vleifontein satellite	07 October 2019
5	48 Of 2019	Supply and installation of manual boom gates at Eltivillas parking sites	07 October 2019
6	49 Of 2019	Survey, setting, drilling and equip two boreholes at Civic centre	07 October 2019

7	50 Of 2019	Supply and delivery of diaries and calenders for the year 2020	14 October 2019
8	52 Of 2019	Supply and delivery of materials ,labour and fencing of Ha-Mutsha Community hall	14 October 2019
9	53 Of 2019	Construction of exhibiting store at showground	14 October 2019
10	54 Of 2019	Refurbishment of male and female ablutions at civic workshop	14 October 2019
11	55 Of 2019	Provision of meter reading (for electronic consumption) for the period of 3 years	31 October 2019
12	56 Of 2019	Provision of Value added tax (VAT) recovery for the period of three years	31 October 2019

STATUS OF RECONCILIATIONS AS AT 30 SEPTEMBER 2019

Bank reconciliations is up to date
Grant Reconciliation is up to date
Investment Reconciliations is up to date
Assets Reconciliation is up to date
Petty Cash reconciliation is up to date
Retention reconciliation is up to date
Inventory Reconciliation is up to date
Debtors Reconciliations is up to date
Salary Reconciliation is up to date
Vat Reconciliation is done up to Month of August 2019

6. ANNEXURE “A CASH FLOW FORECAST

This statement indicates the financial position as at 30 September 2019 is R 116,948,466.53 .The municipality continue to keep a favorable balance on the monthly basis and this cash flow statement reflect positive balance of R 116 948 466.53 at the end first quarter 30 September 2019.

Primary Account (R 116 085 420.94
Call account 1 (62 404 650435)	R 738 801.04
Call account 2 (62 482 843408)	R 103 660.69
Call account 3 (62 308 30779)	R 20 583.86
Closing balance as at 30 Sept 2019	R 116 948 466.53

POLICY IMPLICATIONS

Compliance to section 71 report of the Municipal Finance Management Act.

LEGAL IMPLICATIONS

None

RISK IMPLICATIONS

None

ENVIRONMENTAL IMPLICATIONS

None

CHANGE MANAGEMENT IMPLICATIONS

Ensure compliance to MFMA and timely submission of section 71 report in terms of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

RECOMMENDATION:

That the section 71 report for the month ending September 2019 be considered by management committee.

RECOMMENDED BY

MR NF TSHIVHENGWA
MUNICIPAL MANAGER

COMMENT BY
CLLR S N MUNYAI
MUNICIPAL MAYOR

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 30 SEPTEMBER 2019**PLANNING AND DEVELOPMENT****LED**

COD	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Dzanani Traders Market	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	Tshakhuma fruit market	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	Construction of N1 tourism park	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	Construction of Incubation centre at ha Rathidili	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	Design and Construction of Erf 210 Burger Street Ma	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
SC	Refurbishment of Information Centre and lap	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	Change Room for Workshop	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Arts and Craft centre designs	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Designs of Municipality Civic centre	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	Reallocation of Rugby Stadium	INCOME	3 750 000.00		3 750 000.00		3 750 000.00	0%
TOTAL PLANNING AND DEVELOPMENT BUDGET			18 250 000.00	-	18 250 000.00	-	18 250 000.00	0%

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 30 SEPTEMBER 2019
TECHNICAL SERVICES DEPARTMENT

ELECTRICAL ENGINEERING

CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Air conditioners	INCOME	330 000.00		330 000.00		330 000.00	0%
SC	CT VT Units 11kv & 22kV various sub stations	INCOME	500 000.00		500 000.00	-	500 000.00	0%
SC	Low voltage problems Rural Farming	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
SC	Mini Subs	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	MV Cable 70mm ² 11kV - urban network	INCOME	800 000.00		800 000.00		800 000.00	0%
SC	Transformers 2x10MVA 22/11	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	Transformers 1x5MVA 22/11	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
SC	Emmerentia substation refurbishment	INCOME	150 000.00		150 000.00		150 000.00	0%
SC	Upgrade Lev1	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	Upgrade Levubu 2 line	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Upgrade Mara Line	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Upgrade Shefeera Line	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Upgrade Levubu East line	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
SC	Upgrade Urban Substations	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	Upgrading bulk supply Sinthimule and kutama	INCOME	4 000 000.00		4 000 000.00		4 000 000.00	0%
SC	Upgrading bulk supply Tshithuni 2.5MVA	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	Incomer intake point Eskom Substation	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	Ring Main Units 11kV (RMU)	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	Reroute Shefeera Line	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	New ring feed line and upgrading for Mountain line	INCOME	3 500 000.00		3 500 000.00		3 500 000.00	0%
SC	Electrification of villages top up to INEP grant	INCOME	4 000 000.00		4 000 000.00		4 000 000.00	0%
SC	Post connections Minor extensions Munic area	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	Pre-Paid Meters Conventional Single phase	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	High masts lighting in villages	INCOME	2 500 000.00		2 500 000.00	894 348.15	1 605 651.85	36%
SC	Designs for villages to be electrified	INCOME	3 500 000.00		3 500 000.00		3 500 000.00	0%
TOTAL			56 280 000.00	-	56 280 000.00	894 348.15	55 385 651.85	2%

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 30 SEPTEMBER 2019
TECHNICAL SERVICES DEPARTMENT

ELECTRIFICATION								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	MUANANZHELE PHASE2	INEP	2 098 400.00		2 098 400.00		2 098 400.00	0%
SC	SMOKEY & KHOMELE SECTIONS	INEP	2 304 800.00		2 304 800.00		2 304 800.00	0%
SC	RAMANTSHA & RIVERSIDE	INEP	2 803 600.00		2 803 600.00		2 803 600.00	0%
SC	KHUNDA & MATSHAVHAWE	INEP	1 393 200.00		1 393 200.00		1 393 200.00	0%
SC	MANAVHELA VILLAGE	INEP	258 000.00		258 000.00		258 000.00	0%
SC	DOLI-DOLI/NDOUVHADA	INEP	258 000.00		258 000.00		258 000.00	0%
SC	MADODONGA VILLAGE	INEP	1 290 000.00		1 290 000.00		1 290 000.00	0%
SC	MARANIKWE VILLAGE	INEP	602 000.00		602 000.00	60 899.40	541 100.60	10%
SC	MUDILMELI VILLAGE PH2	INEP	946 000.00		946 000.00		946 000.00	0%
SC	SANE/NATALIE VILLAGES	INEP	946 000.00		946 000.00		946 000.00	0%
SC	TSHIKODOBO VILLAGE	INEP	258 000.00		258 000.00		258 000.00	0%
SC	ZAMEKOMSTE VILLAGE	INEP	430 000.00		430 000.00		430 000.00	0%
SC	TSHIKOTA LOCATION	INEP	172 000.00		172 000.00		172 000.00	0%
SC	MAGAU VILLAGE	INEP	1 135 200.00		1 135 200.00		1 135 200.00	0%
SC	MAKHITHA VILLAGE	INEP	1 100 800.00		1 100 800.00		1 100 800.00	0%
SC	MAKUSHU VILLAGE	INEP	946 000.00		946 000.00		946 000.00	0%
SC	MAMBURU	INEP	430 000.00		430 000.00		430 000.00	0%
SC	MASHAU/TSHILAPHALA Phase2	INEP	430 000.00		430 000.00		430 000.00	0%
SC	PFUMEMBE	INEP	997 600.00		997 600.00	520 721.30	476 878.70	52%
SC	MAANGANI	INEP	1 200 400.00		1 200 400.00	726 824.74	473 575.26	61%
TOTAL			20 000 000.00	-	20 000 000.00	1 308 445.44	18 691 554.56	7%

CIVIL ENGINEERING SECTION								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Tshikwarani to Zamkomste Road Phase 3	MIG Capex	25 017 518.00		25 017 518.00	3 863 576.15	21 153 941.85	15%
SC	Waterval Sports Facility Phase 2	MIG Capex	10 119 951.00		10 119 951.00	4 053 697.99	6 066 253.01	40%
SC	Waterval Sports Facility Phase 3	MIG Capex	900 000.00		900 000.00		900 000.00	0%
SC	Fencing of Makhado municipality cemetery	MIG Capex	1 193 834.00		1 193 834.00		1 193 834.00	0%
SC	Valdezia Xitacini to Jiwani access road phase 3	MIG Capex	1 393 503.00		1 393 503.00	831 050.52	562 452.48	60%
TOTAL			38 624 806.00	-	38 624 806.00	8 748 324.66	29 876 481.34	23%

CIVIL ENGINEERING SECTION - OWN FUNDING								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Mingard Bridge to Mhokota Entrance	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Luvhalani to Dzananwa Access Road	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Makatu to Tshikota Access Road	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Rivoni to Xihobyeni Access road	INCOME	700 000.00		700 000.00	318 323.30	381 676.70	45%
SC	Tsianda (Marundu to Military Base) Access Road	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Waterval Region Refuse Transfer Station	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Mudimeli bridge and Access road Phase 3	INCOME	7 042 280.70		7 042 280.70	3 051 323.20	3 990 957.50	43%
SC	Tshikwarani to Zamkomste Road Phase 3	INCOME	1 957 902.87		1 957 902.87		1 957 902.87	0%
SC	Waterval Stormwater	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Afton to Natalie Access Road	INCOME	800 000.00		800 000.00	67 618.05	732 381.95	8%
TOTAL			14 700 183.57	-	14 700 183.57	3 437 264.55	11 262 919.02	23%

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 30 SEPTEMBER 2019
TECHNICAL SERVICES DEPARTMENT

ROADS AND STORM WATER								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	2 X Pedestrian Roller		300 000.00		300 000.00		300 000.00	0%
SC	Jump Stamper		20 000.00		20 000.00		20 000.00	0%
SC	Four ways Stop Pavement		500 000.00		500 000.00		500 000.00	0%
SC	Culvert Pipe (Rockla)		800 000.00		800 000.00		800 000.00	0%
TOTAL			1 620 000.00	-	1 620 000.00	-	1 620 000.00	0%

PROVISION OF TOOLS, EQUIPMENT & MATERIALS (MECHANICAL WORKSHOP)								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Hand Tools and Toolbox	INCOME	40 000.00		40 000.00		40 000.00	0%
SC	Generator/Welding Machine	INCOME	60 000.00		60 000.00		60 000.00	0%
SC	Paving Workshop	INCOME	800 000.00		800 000.00	524 636.00	275 364.00	66%
TOTAL			900 000.00	-	900 000.00	524 636.00	375 364.00	58%

BUILDING MAINTENANCE								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Refurbishment of Municipal exhibiting store at show ground	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	Refurbishment of Electrical Store and Warehouse	INCOME	600 000.00		600 000.00		600 000.00	0%
SC	Upgrading of workshop and Refurshment of ablutions of female & Male	INCOME	700 000.00		700 000.00	49 800.00	650 200.00	7%
SC	Tilling and of Vleifointein regional Office	INCOME	350 000.00		350 000.00		350 000.00	0%
SC	Hand tools	INCOME	100 000.00		100 000.00		100 000.00	0%
SC	Fencing of Ha Mutsha Community hall	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	Retiling of Dzanani Traffic Station office	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Installation of sliding gates at Municipal Premises	INCOME	350 000.00		350 000.00		350 000.00	0%
SC	Drilling and Equipment of two boreholes at Civic Centre	INCOME	450 000.00		450 000.00		450 000.00	0%
TOTAL			4 050 000.00	-	4 050 000.00	49 800.00	4 000 200.00	1%

TOTAL TECHNICAL SERVICES BUDGET	136 174 989.57	-	136 174 989.57	14 962 818.80	121 212 170.77	11%
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**CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 30 SEPTEMBER 2019
COMMUNITY SERVICES DEPARTMENT**

PARKS AND RECREATION SECTION								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Development of Dzanani Park	INCOME	500 000.00		500 000.00	213 500.00	286 500.00	43%
TOTAL			500 000.00		500 000.00	213 500.00	286 500.00	43%
WASTE MANAGEMENT								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Rehab old landfill site (Vondeline)	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
TOTAL			2 000 000.00	-	2 000 000.00	-	2 000 000.00	0%
PROTECTION SERVICES								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Bio-Metric Access control System	INCOME	500 000.00		500 000.00		500 000.00	0%
TOTAL			500 000.00	-	500 000.00	-	500 000.00	0%
MAKHADO TRAFFIC STATION								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Construction of Admin Block (Testing Ground)	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
TOTAL			2 000 000.00	-	2 000 000.00	-	2 000 000.00	0%
WATERVAL TRAFFIC STATION								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Refurbishment of the roof structure at Watervaal Office	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Standby (backup)Electricity power Generator	INCOME	300 000.00		300 000.00		300 000.00	0%
TOTAL			800 000.00	-	800 000.00	-	800 000.00	0%
TOTAL COMMUNITY SERVICES BUDGET			5 300 000.00	-	5 300 000.00	213 500.00	5 586 500.00	4%

**CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 30 SEPTEMBER 2019
CORPORATE SERVICES DEPARTMENT**

UPGRADE AND ACQUISITION OF NETWORK AND COMMUNICATION SYSTEMS - ICT								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Sage/VIP ESS Software for Employee Self Service Leave Applications	INCOME	160 000.00		160 000.00		160 000.00	0%
SC	Sage/VIP Overtime Management System Module	INCOME	300 000.00		300 000.00		300 000.00	0%
SC	Electronic Agendas Phase 2 for councillors	INCOME	200 000.00		200 000.00		200 000.00	0%
SC	Upgrade Software: Office 2010 to Office 365 - all users	INCOME	800 000.00		800 000.00		800 000.00	0%
SC	Software to align Budget, IDP and SDBIP	INCOME	250 000.00		250 000.00		250 000.00	0%
SC	Councillors: Domain & Email Access & Mimecast Year 1 License fee	INCOME	494 000.00		494 000.00		494 000.00	0%
SC	Executive and Council Chambers - Wifi connection	INCOME	250 000.00		250 000.00		250 000.00	0%
SC	HR Mobile office connectivity infrastructure	INCOME	300 000.00		300 000.00		300 000.00	0%
SC	D R hardware & software (subject to BIA outcome)	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
TOTAL			4 254 000.00	-	4 254 000.00	-	4 254 000.00	0%
ICT EQUIPMENT								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Computer and IT related office equipment all departments	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
TOTAL			1 000 000.00	-	1 000 000.00	-	1 000 000.00	0%
COUNCILLOR AFFAIRS UNIT								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Loud halers x 8	INCOME	40 000.00		40 000.00		40 000.00	0%
TOTAL			40 000.00	-	40 000.00	-	40 000.00	0%
RECORDS MANAGEMENT								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Filing System and warehousing	INCOME	1 300 000.00		1 300 000.00		1 300 000.00	0%
TOTAL			1 300 000.00	-	1 300 000.00	-	1 300 000.00	0%
TOTAL CORPORATE SERVICES BUDGET			6 594 000.00	-	6 594 000.00	-	6 594 000.00	-

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 30 SEPTEMBER 2019
BUDGET & TREASURY OFFICE

ASSETS MANAGEMENT SECTION

CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Replace vehicle Speaker (Corporate Services)	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	1 x 22m3 Refuse removal truck equipped with 240L bin carrier(lifting equipment) (Community services)	INCOME	2 500 000.00		2 500 000.00		2 500 000.00	0%
SC	Purchasing of 16 ton Skip Loader truck (Community services)	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
SC	Purchasing of 10 ton truck with waste collection cage	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	LDV DC 4 X 4 (Electrical division)	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Pole truck 1x7 Ton truck (half canopy+pole carrier) (Electrical division)	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	1 Chain Dozer & 3 Graders	INCOME	10 450 000.00		10 450 000.00	6 829 623.39	3 620 376.61	65%
SC	Replace of Vehicles Electricity	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	Vehicle Finance	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	Community Vehicles	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	1 X LDV Bakkie 1 ton (Roads & Storm water)	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	1 x Tipper Tuck 6 Cube (Roads & Storm water)	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	2 x LDV Bakkie 1 ton (Road & storm water) building	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	Forklift (Road and storm water)	INCOME	300 000.00		300 000.00		300 000.00	0%
SC	3Ton diesel truck (Electrical division)	INCOME	600 000.00		600 000.00		600 000.00	0%
SC	Furnnure for all municipality	INCOME	800 000.00		800 000.00		800 000.00	0%
TOTAL			30 950 000.00	-	30 950 000.00	6 829 623.39	24 120 376.61	22%
TOTAL BUDGET AND TREASURY BUDGET			30 950 000.00	-	30 950 000.00	6 829 623.39	24 120 376.61	22%

**CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 30 SEPTEMBER 2019
REGIONAL OFFICES**

WATERVAL REGIONAL OFFICE								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Boreholes: 1 x Waterval Regional Office ,Stores and Vleifontein equipping at	INCOME	350 000.00		350 000.00		350 000.00	0%
SC	Movable Shelf for Record Office	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	2 x Bakkies	INCOME	800 000.00		800 000.00		800 000.00	0%
SC	1 x Fridges	INCOME	10 000.00		10 000.00		10 000.00	0%
SC	Office Furniture for Waterval Regional Office	INCOME	120 000.00		120 000.00		120 000.00	0%
SC	Telephone and IT Network for Waterval Community Hall Offices	INCOME	110 000.00		110 000.00		110 000.00	0%
TOTAL			1 890 000.00	-	1 890 000.00	-	1 890 000.00	-
DZANANI REGIONAL OFFICE								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Borehole at Musekwa TSC	INCOME	70 000.00		70 000.00		70 000.00	0%
SC	Ablution Facility at Transfer Station	INCOME	150 000.00		150 000.00		150 000.00	0%
SC	Air Conditioner for Dzanani Community Hall	INCOME	70 000.00		70 000.00		70 000.00	0%
SC	Air Conditioner at Musekwa Thusong (Library)	INCOME	70 000.00		70 000.00		70 000.00	0%
SC	Fencing of Dzanani Regional Office	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	Rehabilitation of Streets: Ramaano ,Tshitotolwe and Denzhe	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	Branding of Musekwa TSC	INCOME	30 000.00		30 000.00		30 000.00	0%
SC	Branding of Dzanani Community Hall	INCOME	30 000.00		30 000.00		30 000.00	0%
SC	Printer Oki microline 3320	INCOME	10 000.00		10 000.00		10 000.00	0%
SC	3 x High Back Chairs	INCOME	5 000.00		5 000.00		5 000.00	0%
SC	1 x Chainsaw	INCOME	7 000.00		7 000.00		7 000.00	0%
SC	2 x Electric Mowing Machine	INCOME	5 000.00		5 000.00		5 000.00	0%
SC	10 x Arm Chairs	INCOME	25 000.00		25 000.00		25 000.00	0%
SC	3 x Single Pedastal	INCOME	15 000.00		15 000.00		15 000.00	0%
SC	Combination Tractor Trailer and 5 Containers	INCOME	300 000.00		300 000.00		300 000.00	0%
SC	1 x Grass Cutter (Walk Behind)	INCOME	12 000.00		12 000.00		12 000.00	0%
SC	6 x Brush Cutter	INCOME	20 000.00		20 000.00		20 000.00	0%
TOTAL			4 219 000.00	-	4 219 000.00	-	4 219 000.00	0%
TOTAL REGIONAL OFFICES BUDGET			6 109 000.00	-	6 109 000.00	-	6 109 000.00	-

LIM344 Makhado - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		71 424	70 363		6 427	19 222	17 591	1 632	9%	70 363
Service charges - electricity revenue		322 851	373 218		29 059	80 032	93 305	(13 273)	-14%	373 218
Service charges - water revenue		-	-		-	-	-	-		-
Service charges - sanitation revenue		-	-		-	-	-	-		-
Service charges - refuse revenue		11 369	9 824		934	2 760	2 456	304	12%	9 824
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		352	346		17	54	87	(33)	-38%	346
Interest earned - external investments		28	54		3	9	14	(5)	-34%	54
Interest earned - outstanding debtors		19 712	20 345		1 719	5 173	5 086	86	2%	20 345
Dividends received		-	-		-	-	-	-		-
Fines, penalties and forfeits		1 662	1 848		104	968	462	506	110%	1 848
Licences and permits		7 400	13 922		602	1 916	3 480	(1 565)	-45%	13 922
Agency services		-	-		-	-	-	-		-
Transfers and subsidies		321 083	361 091		-	151 136	90 273	60 863	67%	361 091
Other revenue		15 631	109 883		14 212	14 460	27 471	(13 011)	-47%	109 883
Gains on disposal of PPE		-	-		-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		771 512	960 894	-	53 077	275 730	240 223	35 506	15%	960 894
Expenditure By Type										
Employee related costs		248 321	284 371		20 438	61 899	71 093	(9 194)	-13%	284 371
Remuneration of councillors		26 457	28 554		2 159	6 562	7 138	(576)	-8%	28 554
Debt impairment		83 484	45 000		16 745	16 931	11 250	5 681	50%	45 000
Depreciation & asset impairment		95 425	100 000		11 762	32 656	25 000	7 656	31%	100 000
Finance charges		10 080	6 752		-	-	1 688	(1 688)	-100%	6 752
Bulk purchases		193 562	242 406		29 793	89 443	60 602	28 842	48%	242 406
Other materials		27 022	38 935		4 693	6 762	9 734	(2 972)	-31%	38 935
Contracted services		74 284	68 183		9 057	16 899	17 046	(146)	-1%	68 183
Transfers and subsidies		-	-		-	-	-	-		-
Other expenditure		57 596	144 773		1 873	12 658	36 193	(23 535)	-65%	144 773
Loss on disposal of PPE		-	-		-	-	-	-		-
Total Expenditure		816 231	958 975	-	96 521	243 810	239 744	4 066	2%	958 975
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(44 720)	1 919		(43 444)	31 920	480	31 440	0	1 919
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		104 645	109 577		-	48 309	27 394	20 915	0	109 577
Transfers and subsidies - capital (in-kind - all)		-	-		-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		59 925	111 496	-	(43 444)	80 229	27 874			111 496
Taxation		-	-		-	-	-	-		-
Surplus/(Deficit) after taxation		59 925	111 496	-	(43 444)	80 229	27 874			111 496
Attributable to minorities		-	-		-	-	-	-		-
Surplus/(Deficit) attributable to municipality		59 925	111 496	-	(43 444)	80 229	27 874			111 496
Share of surplus/ (deficit) of associate		-	-		-	-	-	-		-
Surplus/ (Deficit) for the year		59 925	111 496	-	(43 444)	80 229	27 874			111 496