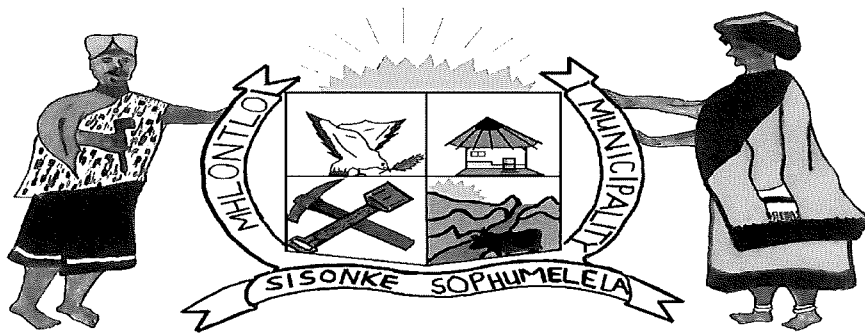


# Mhlontlo Local Municipality



## In-Year Report of the Municipality

Prepared in terms of the Local Government Municipal Finance Management Act (56/2003):  
Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 June 2009

# Monthly Budget Statement April 2017 2016-2017

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## Glossary

**Accrual Accounting** – An accounting method that measures the performance and position of the municipality by recognising events regardless of when cash transactions occur.

**Adjustment Budget** – Prescribed in section 28 of the MFMA

**Allocations** – Money received from other Municipalities, Provincial or National Government.

**Budget** – Financial Plan of the Municipality.

**Budget Related Policy** – Policy of a municipality affecting or affected by the budget, examples include credit control policy, rates policy, tariff policy and funding and reserves policy.

**Capital Expenditure** – Expenditure on items such as machinery, buildings, land, infrastructure (roads).

**Cash Flow Statement** – Provides aggregate data regarding all cash inflows the municipality receives from both its ongoing operations and external investment sources, as well as all cash outflows that pay for municipality's activities and investments during a particular month.

**DORA** – Division of Revenue Act. Annual legislation reflecting total allocations per municipality made by provincial and national governments.

**Equitable Share** – A general grant paid to municipalities predominantly targeted to help with free basic services.

**Fruitless and Wasteful Expenditure** – Expenditure made in vain, that would have been avoided had reasonable care been exercised.

**MBRR** – Local Government Municipal Budget and Reporting Regulations.

**MIG** – Municipal Infrastructure Grant

**MTREF** – Medium Term Revenue and Expenditure Framework.

**Operating Expenditure** – Day to day expenses of the Municipality such as salaries, repairs and maintenance and general expenses.

**Strategic Objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards achieving those objectives.

**Unauthorised Expenditure** – Spending without budget or in excess of the approved budget

**Vote** – A department

## **SECTION 1 – EXECUTIVE SUMMARY**

### **1.1 Introduction**

The municipality is required to prepare a monthly financial report (monthly budget statement) in accordance with Schedule C of the Municipal Budget and Reporting Regulations.

MFMA Section 71 states that the accounting officer must not later than 10 working days after the end of each month submit to the Mayor and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month: -

- Actual Revenue per revenue source;
- Actual expenditure per vote;
- Actual Capital Expenditure per vote;
- The amount of any allocations received,
- Actual Expenditure on allocations received,
- Actual Expenditure on those allocations,
- Where necessary, explanations on:
  - Any material variances from the municipality's projected revenue per source, and from the municipality's expenditure projections per vote.
  - Any material variances from the SDBIP, and
  - Remedial or corrective steps taken or to be taken by the municipality

2. The statement must include: -

- Projections of municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections;

3. The amounts reflected in the statement must in each case be compared with corresponding amounts budgeted for in the municipality's approved budget.

This report has been prepared using the accrual method of accounting. The general idea is that economic events are recognised by matching revenues to expenses (the matching principle) at the time in which the transaction occurs rather than when payment is received or made.

This method allows the current cash inflows/outflows to be combined with future expected cash inflows/outflows to give a more accurate picture of the municipality's current financial position.

## **Table C1- Monthly Budget Statement Summary**

The table below reflects on the summary of the total municipality's budget against year to date collections or expenditures.

### **Operating Revenue**

In the statement of financial performance, revenue accrued is R217 million out of the projected R173 million giving rise to a variance of 10%. Variance contributing factors are explained in the sub headings of the revenue items.

Total cash receipts on operating revenue excluding grants totals to R12.1 million for the month of July to April 2017 out of the expected R23.1 million. This is due to under collection on rates.

#### *Property Rates*

The amount accrued on rates amounts to R33 million, out of the expected R33 million.

Total actual cash collected on rates for July to April 2017 is R5.8 thousand against the expected R24.7 million. The biggest debtor on government properties which is the Tsolo School of Agriculture and Malizo Mpehle have not yet made payments totalling to R11 and R6 million respectively.

#### *Refuse Removal*

Amount accrued on refuse removal is R1.0 million against the expected R1.0 million.

Total actual cash received on refuse removal from July to April 2017 is R276 thousand out of the expected collection of R914 thousand.

#### *Investment Revenue*

This relates to interests received on the call account deposits. Interest received since July amounts to R3.3 million out of the expected R3.1 million.

#### *Other Revenue*

Rental of facilities and Equipment –R42 thousand has been received instead of the expected R32 thousand.

Fines- R61 thousand has been received so far against the expected R46 thousand.

Licenses and permits- R1.3 million has been received, however the municipality expected to receive R1.1 million.

Agency Fees- The amount collected since July amounts to R819 thousand, and the expected budget is R863 thousand.

Pound sales amounted to R252 thousand since July.

### **Operating Expenditure**

On operating expenditure, R144.2 million was spent against the expected budget of R188.2 million giving rise to a variance of more than R43.9 million. This is because on non-cash items like depreciation and debt impairment that have not been accounted for.

#### *Employee Costs*

R67 million has been spent to date on employee related costs against the expected R74 million.

#### *Remuneration of Councillors*

Amount spent since July totals to R13.1 million against the budgeted R13.7 million.

#### *Contracted Services*

On contracted services, R19.5 thousand has been spent since July. The budgeted amount for this item is R16.4 million giving a variance of R3.0 million.

#### *Other Expenditure*

This line item includes all the other operating expenses like accommodation, telephone, electricity etc. Expenditure is R44.5 million against the expected budget of R55.2 million.

### **Capital Expenditure**

On Capital Expenditure the municipality has spent a total of R44.2 million against the expected R45.2 million budget to date. This will be explained more on table C5 where departmental expenditures are reflected.

### **Financial Position**

The municipality's current assets exceed the current liabilities. The municipality's ability to pay its short term liabilities is tested by taking the total current assets and dividing them by current liabilities. This test is mainly used to give an idea of the municipality's ability to pay back its short term liabilities using the current assets.

### **Cash Flows**

The municipality ended the quarter with a positive cash and cash equivalents balance.

EC156 Mhlontlo - Table C1 Monthly Budget Statement Summary - M10 April

Description	2015/16	Budget Year 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>									
<b>Financial Performance</b>									
Property rates	32 019	15 663	33 772	-	33 772	33 772	-		33 772
Service charges	1 158	1 220	1 275	107	1 065	1 062	3	0%	1 275
Investment revenue	3 559	3 564	3 820	431	3 318	3 183	135	4%	3 820
Transfers recognised - operational	182 184	172 837	174 536	381	173 338	145 447	27 891	19%	174 536
Other own revenue	4 983	17 705	17 751	261	5 903	14 793	(8 890)	-60%	17 751
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>223 903</b>	<b>210 989</b>	<b>231 155</b>	<b>1 180</b>	<b>217 397</b>	<b>198 257</b>	<b>19 139</b>	<b>10%</b>	<b>231 155</b>
Employee costs	76 444	87 165	89 036	6 841	67 032	74 197	(7 165)	-10%	89 036
Remuneration of Councillors	16 573	17 293	16 517	1 313	13 195	13 764	(569)	-4%	16 517
Depreciation & asset impairment	97 708	14 708	14 369	-	-	11 974	(11 974)	-100%	14 369
Transfers and grants	-	4 233	-	-	-	-	-		-
Other expenditure	94 294	111 015	105 961	6 318	64 050	88 301	(24 250)	-27%	105 961
<b>Total Expenditure</b>	<b>285 019</b>	<b>234 414</b>	<b>225 882</b>	<b>14 473</b>	<b>144 277</b>	<b>188 235</b>	<b>(43 958)</b>	<b>-23%</b>	<b>225 882</b>
<b>Surplus/(Deficit)</b>	<b>(61 117)</b>	<b>(23 425)</b>	<b>5 272</b>	<b>(13 293)</b>	<b>73 120</b>	<b>10 022</b>	<b>63 097</b>	<b>630%</b>	<b>5 272</b>
Transfers recognised - capital	(38 278)	40 828	39 577	4 013	34 744	32 981	1 763	5%	39 577
Contributions & Contributed assets	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(99 395)</b>	<b>17 403</b>	<b>44 849</b>	<b>(9 281)</b>	<b>107 863</b>	<b>43 003</b>	<b>64 860</b>	<b>151%</b>	<b>44 849</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>(99 395)</b>	<b>17 403</b>	<b>44 849</b>	<b>(9 281)</b>	<b>107 863</b>	<b>43 003</b>	<b>64 860</b>	<b>151%</b>	<b>44 849</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	48 910	49 341	54 241	4 048	44 248	45 201	(953)	-2%	54 241
Capital transfers recognised	48 910	49 341	54 241	4 048	44 248	45 201	(953)	-2%	54 241
<b>Total sources of capital funds</b>	<b>48 910</b>	<b>49 341</b>	<b>54 241</b>	<b>4 048</b>	<b>44 248</b>	<b>45 201</b>	<b>(953)</b>	<b>-2%</b>	<b>54 241</b>
<b>Financial position</b>									
Total current assets	52 235	58 269	48 009		61 846				58 269
Total non current assets	657 292	275 041	733 341		808 507				275 041
Total current liabilities	20 949	20 764	34 877		42 229				20 764
Total non current liabilities	5 684	5 185	-		-				5 185
<b>Community wealth/Equity</b>	<b>682 894</b>	<b>307 361</b>	<b>746 473</b>		<b>828 123</b>				<b>307 361</b>
<b>Cash flows</b>									
Net cash from (used) operating	58 571	51 180	57 956	(2 592)	105 628	48 297	(57 331)	-119%	57 956
Net cash from (used) investing	(48 022)	(49 341)	(54 241)	(3 675)	(41 227)	(45 201)	(3 974)	9%	(54 241)
Net cash from (used) financing	-	-	-	-	-	-	-		-
<b>Cash/cash equivalents at the month/year end</b>	<b>25 926</b>	<b>39 186</b>	<b>7 073</b>	<b>-</b>	<b>67 759</b>	<b>6 454</b>	<b>(61 305)</b>	<b>-950%</b>	<b>7 073</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	736	1 313	1 298	1 321	46 029	-	-	-	50 698
<b>Creditors Age Analysis</b>									
Total Creditors	30	-	32	3	-	33	(198)	(356)	(457)

## Table C2: Statement of Financial Performance by vote

This table reflects the operating budget in the standard classification which are the Government Finance Statistics Functions and Sub-Functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of organisational structures used by different institutions.

The main functions are Governance and administration, Community and public safety, Economic and environmental services, and Trading Services.

It is for this reason that the financial performance is reported in standard classification, Table C2 and by municipal vote, Table C3.

EC156 Mhlontlo - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M10 April

Description	Ref	2015/16	Budget Year							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<b>Governance and administration</b>		135 795	115 984	135 143	538	132 063	112 619	19 444	17%	115 393
Executive and council		52 279	54 124	53 608	–	53 914	44 674	9 240	21%	54 124
Budget and treasury office		54 401	31 597	49 603	497	46 990	41 336	5 654	14%	31 006
Corporate services		29 115	30 263	31 931	41	31 159	26 609	4 550	17%	30 263
<b>Community and public safety</b>		16 362	17 155	20 439	198	16 179	17 032	(853)	-5%	17 155
Public safety		16 362	17 155	20 439	198	16 179	17 032	(853)	-5%	17 155
<b>Economic and environmental services</b>		53 506	94 153	95 334	4 349	79 708	77 000	2 709	4%	94 144
Planning and development		19 839	22 022	21 588	20	22 096	17 990	4 106	23%	22 013
Road transport		33 668	72 131	73 746	4 329	57 613	59 010	(1 397)	-2%	72 131
<b>Trading services</b>		18 240	24 526	19 816	107	24 191	16 514	7 677	46%	24 526
Waste management		18 240	24 526	19 816	107	24 191	16 514	7 677	46%	24 526
<b>Total Revenue - Standard</b>	<b>2</b>	<b>223 903</b>	<b>251 817</b>	<b>270 732</b>	<b>5 192</b>	<b>252 140</b>	<b>223 165</b>	<b>28 976</b>	<b>13%</b>	<b>251 218</b>
<b>Expenditure - Standard</b>										
<b>Governance and administration</b>		115 892	137 118	130 009	6 646	73 103	108 341	(35 238)	-33%	137 118
Executive and council		46 459	54 692	52 163	3 238	37 865	43 469	(5 604)	-13%	54 692
Budget and treasury office		44 009	54 121	47 872	1 466	16 656	39 893	(23 237)	-58%	54 121
Corporate services		25 424	28 306	29 974	1 942	18 581	24 978	(6 397)	-26%	28 306
<b>Community and public safety</b>		18 284	17 019	20 369	1 321	16 147	16 974	(827)	-5%	17 019
Public safety		18 284	17 019	20 369	1 321	16 147	16 974	(827)	-5%	17 019
<b>Economic and environmental services</b>		136 186	58 014	56 299	5 416	42 452	46 916	(4 464)	-10%	58 014
Planning and development		15 663	18 326	17 301	1 029	12 655	14 418	(1 763)	-12%	18 326
Road transport		120 522	39 688	38 998	4 387	29 797	32 499	(2 702)	-8%	39 688
<b>Trading services</b>		14 657	22 263	19 205	1 090	12 576	16 004	(3 428)	-21%	22 263
Waste management		14 657	22 263	19 205	1 090	12 576	16 004	(3 428)	-21%	22 263
<b>Other</b>		–	–	–	–	–	–	–	–	–
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>285 019</b>	<b>234 415</b>	<b>225 882</b>	<b>14 473</b>	<b>144 277</b>	<b>188 235</b>	<b>(43 958)</b>	<b>-23%</b>	<b>234 415</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(61 117)</b>	<b>17 403</b>	<b>44 849</b>	<b>(9 281)</b>	<b>107 863</b>	<b>34 929</b>	<b>72 934</b>	<b>209%</b>	<b>16 803</b>



### Table C3: Monthly Financial Performance (Revenue and Expenditure by vote)

Operating budget of the institution is approved by council on municipal vote level. The municipal votes are Mayor’s Office, Council, Municipal Manager, Budget and Treasury Office, Corporate Services, Local Economic Development, Community Services, and Infrastructure and Development.

Unauthorised expenditure occurs if the total budget in a vote is exceeded by expenditure.

The table below reflects on expenditures per vote. No unauthorised expenditures occurred in all the departments. Close monitoring of expenditures is vital. We might experience challenges on personnel costs with regard to contracted employees and stand by allowance.

EC156 Mhlontlo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 April

Vote Description	Ref	2015/16	Budget Year 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>										
<b>Revenue by Vote</b>										
Vote 1 - MAYORS OFFICE	1	2 285	3 085	2 901	–	3 073	2 417	656	27.1%	2 901
Vote 2 - COUNCIL		33 941	30 755	29 265	–	30 636	24 387	6 249	25.6%	29 265
Vote 3 - MUNICIPAL MANAGER'S OFFICE		8 576	12 287	9 912	–	12 240	8 260	3 980	48.2%	9 912
Vote 4 - STRATEGIC OFFICE		7 477	7 996	11 531	–	7 965	9 610	(1 644)	-17.1%	11 531
Vote 5 - BUDGET & TREASURY OFFICE		54 401	31 597	49 603	497	46 990	41 336	5 654	13.7%	49 603
Vote 6 - CORPORATE SERVICES		29 115	30 263	31 931	41	31 159	26 609	4 550	17.1%	31 931
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		19 839	22 022	21 588	20	22 096	17 990	4 106	22.8%	21 588
Vote 8 - COMMUNITY SERVICES		34 601	41 681	40 255	305	40 369	33 546	6 823	20.3%	40 255
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & PLANING		33 668	72 131	73 746	4 329	57 613	59 010	(1 397)	-2.4%	73 746
<b>Total Revenue by Vote</b>	2	<b>223 903</b>	<b>251 817</b>	<b>270 732</b>	<b>5 192</b>	<b>252 140</b>	<b>223 165</b>	<b>28 976</b>	<b>13.0%</b>	<b>270 732</b>
<b>Expenditure by Vote</b>										
Vote 1 - MAYORS OFFICE	1	1 707	3 085	2 067	145	2 105	1 723	382	22.2%	2 067
Vote 2 - COUNCIL		27 223	30 755	28 615	2 201	21 418	23 846	(2 427)	-10.2%	28 615
Vote 3 - MUNICIPAL MANAGER'S OFFICE		11 465	12 737	10 352	381	8 587	8 626	(40)	-0.5%	10 352
Vote 4 - STRATEGIC OFFICE		6 064	8 115	11 129	511	5 756	9 275	(3 519)	-37.9%	11 129
Vote 5 - BUDGET & TREASURY OFFICE		44 009	54 121	47 872	1 466	16 656	39 893	(23 237)	-58.2%	47 872
Vote 6 - CORPORATE SERVICES		25 424	28 306	29 974	1 942	18 581	24 978	(6 397)	-25.6%	29 974
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		15 663	18 326	17 301	1 029	12 655	14 418	(1 763)	-12.2%	17 301
Vote 8 - COMMUNITY SERVICES		32 942	39 282	39 574	2 411	28 723	32 978	(4 255)	-12.9%	39 574
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & PLANING		120 522	39 688	38 998	4 387	29 797	32 499	(2 702)	-8.3%	38 998
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
<b>Total Expenditure by Vote</b>	2	<b>285 019</b>	<b>234 415</b>	<b>225 882</b>	<b>14 473</b>	<b>144 277</b>	<b>188 235</b>	<b>(43 958)</b>	<b>-23.4%</b>	<b>225 882</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>(61 117)</b>	<b>17 403</b>	<b>44 849</b>	<b>(9 281)</b>	<b>107 863</b>	<b>34 929</b>	<b>72 934</b>	<b>208.8%</b>	<b>44 849</b>

## Table C4- Statement of Financial Performance

### EC156 Mhlontlo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	Ref	2015/16	Budget Year 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>										
<b>Revenue By Source</b>										
Property rates		32 019	15 663	33 772	–	33 772	33 772	–		33 772
Service charges - refuse revenue		1 158	1 220	1 275	107	1 065	1 062	3	0%	1 275
Rental of facilities and equipment		45	46	39	5	42	32	10	31%	39
Interest earned - external investments		3 559	3 564	3 820	431	3 318	3 183	135	4%	3 820
Interest earned - outstanding debtors		838	216	599	–	553	499	54	11%	599
Fines		477	67	55	5	61	46	15	32%	55
Licences and permits		1 592	1 516	1 427	104	1 300	1 189	111	9%	1 427
Agency services		854	826	1 036	81	819	863	(44)	-5%	1 036
Transfers recognised - operational		182 184	172 837	174 536	381	173 338	145 447	27 891	19%	174 536
Other revenue		1 177	15 035	14 596	67	3 128	12 164	(9 035)	-74%	14 596
Gains on disposal of PPE		–	–	–	–	–	–	–		–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>223 903</b>	<b>210 989</b>	<b>231 155</b>	<b>1 180</b>	<b>217 397</b>	<b>198 257</b>	<b>19 139</b>	<b>10%</b>	<b>231 155</b>
<b>Expenditure By Type</b>										
Employee related costs		76 444	87 165	89 036	6 841	67 032	74 197	(7 165)	-10%	89 036
Remuneration of councillors		16 573	17 293	16 517	1 313	13 195	13 764	(569)	-4%	16 517
Debt impairment		12 393	19 876	19 876	–	–	16 563	(16 563)	-100%	19 876
Depreciation & asset impairment		97 708	14 708	14 369	–	–	11 974	(11 974)	-100%	14 369
Contracted services		21 610	21 189	19 792	2 942	19 543	16 493	3 050	18%	19 792
Transfers and grants		–	4 233	–	–	–	–	–		–
Other expenditure		59 895	69 950	66 293	3 376	44 507	55 244	(10 737)	-19%	66 293
Loss on disposal of PPE		396	–	–	–	–	–	–		–
<b>Total Expenditure</b>		<b>285 019</b>	<b>234 414</b>	<b>225 882</b>	<b>14 473</b>	<b>144 277</b>	<b>188 235</b>	<b>(43 958)</b>	<b>-23%</b>	<b>225 882</b>
<b>Surplus/(Deficit)</b>										
Transfers recognised - capital		(61 117)	(23 425)	5 272	(13 293)	73 120	10 022	63 097	0	5 272
Contributions recognised - capital		(38 278)	40 828	39 577	4 013	34 744	32 981	1 763	0	39 577
Contributed assets							–	–		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(99 395)</b>	<b>17 403</b>	<b>44 849</b>	<b>(9 281)</b>	<b>107 863</b>	<b>43 003</b>			<b>44 849</b>
Taxation							–	–		
<b>Surplus/(Deficit) after taxation</b>		<b>(99 395)</b>	<b>17 403</b>	<b>44 849</b>	<b>(9 281)</b>	<b>107 863</b>	<b>43 003</b>			<b>44 849</b>
Attributable to minorities							–			
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(99 395)</b>	<b>17 403</b>	<b>44 849</b>	<b>(9 281)</b>	<b>107 863</b>	<b>43 003</b>			<b>44 849</b>
Share of surplus/ (deficit) of associate							–			
<b>Surplus/ (Deficit) for the year</b>		<b>(99 395)</b>	<b>17 403</b>	<b>44 849</b>	<b>(9 281)</b>	<b>107 863</b>	<b>43 003</b>			<b>44 849</b>

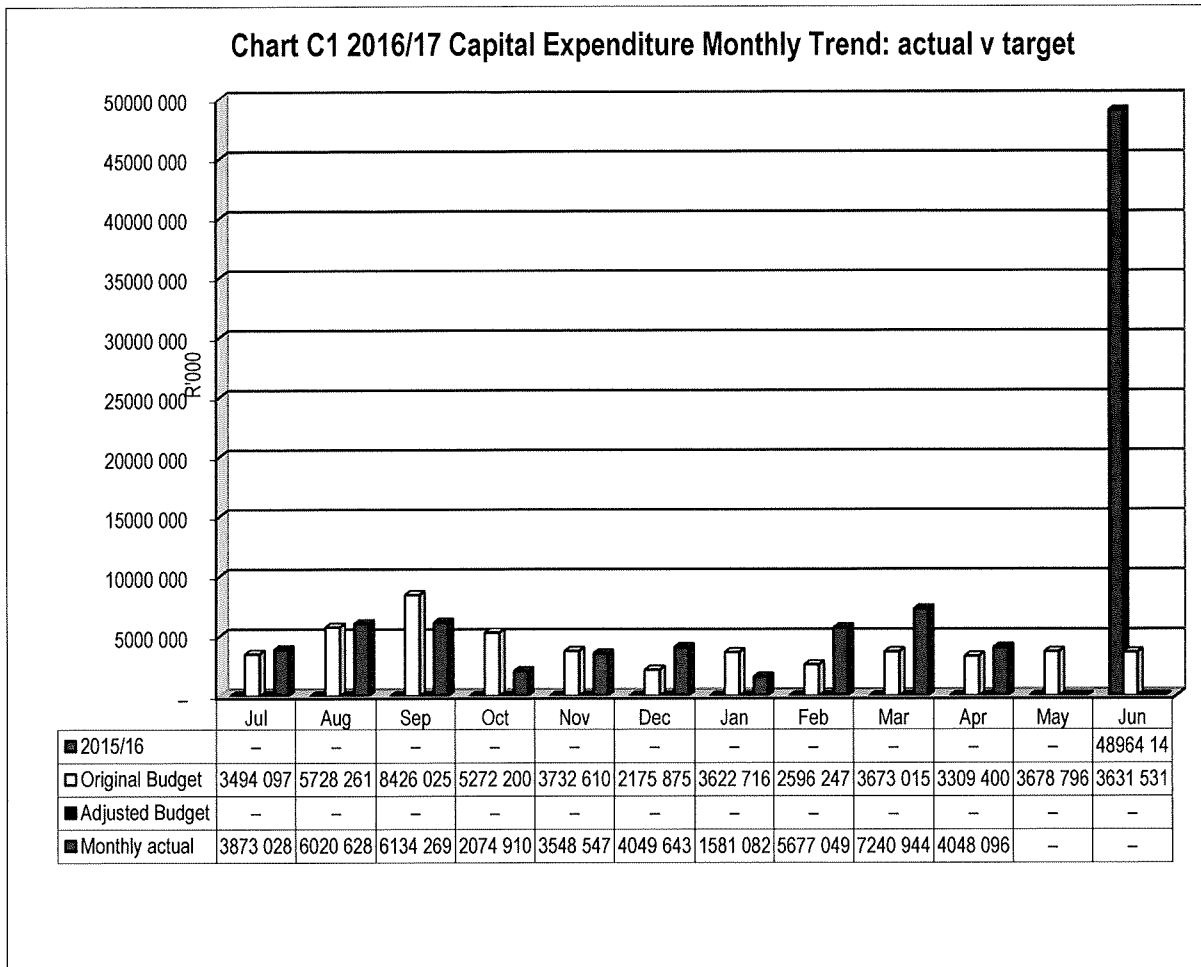
## Table C5: Capital Expenditure (Municipal Vote, standard classification, and funding)

Capital Expenditure reflects a deviation of only 1%. Year to date budget is R44.2 million whilst expenditure is sitting at R45.2 million. The extra R15 million received as an additional MIG allocation has not been catered for as yet.

EC156 Mhlontlo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) -

Vote Description R thousand	Ref	2015/16	Budget Year 2016/17				
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
<b>Capital expenditure - Municipal Vote</b>							
<b>Expenditure of single-year capital appropriation</b>	1						
<b>Vote 1 - MAYORS OFFICE</b>		-	-	833	-	833	694
1.1 - MAYORS OFFICE				833		833	694
<b>Vote 2 - COUNCIL</b>		1 924	-	650	-	1 054	542
2.1 - Council		1 924	-	650		1 054	542
<b>Vote 3 - MUNICIPAL MANAGER'S OFFICE</b>		36	50	60	-	-	50
3.1 - Municipal Manager's office		36	50	60			50
<b>Vote 4 - STRATEGIC OFFICE</b>		-	-	-	-	-	-
<b>Vote 5 - BUDGET &amp; TREASURY OFFICE</b>		1 774	-	-	-	-	-
5.1 - Budget & Treasury office		1 774					
<b>Vote 6 - CORPORATE SERVICES</b>		340	1 957	1 957	35	660	1 631
6.1 - HR		340	1 957	1 957	35	660	1 631
<b>Vote 7 - LOCAL ECONOMIC DEVELOPMENT</b>		1 111	4 125	4 286	-	3 093	3 572
7.1 - LED		1 111	4 125	4 286		3 093	3 572
<b>Vote 8 - COMMUNITY SERVICES</b>		3 083	2 380	733	-	162	611
8.1 - Traffic		1 114	-	49	-	90	41
8.2 - Pound		30	117	73		73	60
8.3 - Solid Waste		1 939	2 263	612	-	-	510
<b>Vote 9 - INFRASTRUCTURAL, DEVELOPMENT &amp; PLANING</b>		40 644	40 828	45 721	4 013	38 446	38 101
9.1 - Infrastructure		4 318	15 627	6 144	-	5 791	5 120
9.3 - Project Management Unit (PMU)		36 326	25 201	39 577	4 013	32 654	32 981
<b>Total single-year capital expenditure</b>		<b>48 910</b>	<b>49 341</b>	<b>54 241</b>	<b>4 048</b>	<b>44 248</b>	<b>45 201</b>
<b>Total Capital Expenditure</b>		<b>48 910</b>	<b>49 341</b>	<b>54 241</b>	<b>4 048</b>	<b>44 248</b>	<b>45 201</b>

Below is the graphic presentation of the summary on capital expenditure:



## TABLE C6 Financial Position

### EC156 Mhlontlo - Table C6 Monthly Budget Statement - Financial Position - M10 April

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		3 359	29 124	19 299		29 124
Call investment deposits		22 567	10 062			10 062
Consumer debtors		18 224	5 365	14 625	46 447	5 365
Other debtors		2 856	3 221	3 587	4 511	3 221
Current portion of long-term receivables			–			–
Inventory		5 229	10 497	10 497	10 888	10 497
<b>Total current assets</b>		<b>52 235</b>	<b>58 269</b>	<b>48 009</b>	<b>61 846</b>	<b>58 269</b>
<b>Non current assets</b>						
Long-term receivables			(6 944)	–		(6 944)
Investments			3 000	–	85 249	3 000
Investment property		19 086	27 112	19 202	19 202	27 112
Property, plant and equipment		637 504	250 939	713 006	703 355	250 939
Intangible assets		491	815	1 133	701	815
Other non-current assets		211	119	–		119
<b>Total non current assets</b>		<b>657 292</b>	<b>275 041</b>	<b>733 341</b>	<b>808 507</b>	<b>275 041</b>
<b>TOTAL ASSETS</b>		<b>709 526</b>	<b>333 310</b>	<b>781 350</b>	<b>870 353</b>	<b>333 310</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Trade and other payables		9 556	9 109	13 503	21 023	9 109
Provisions		11 393	11 655	21 374	21 207	11 655
<b>Total current liabilities</b>		<b>20 949</b>	<b>20 764</b>	<b>34 877</b>	<b>42 229</b>	<b>20 764</b>
<b>Non current liabilities</b>						
Provisions		5 684	5 185	–		5 185
<b>Total non current liabilities</b>		<b>5 684</b>	<b>5 185</b>	<b>–</b>	<b>–</b>	<b>5 185</b>
<b>TOTAL LIABILITIES</b>		<b>26 633</b>	<b>25 949</b>	<b>34 877</b>	<b>42 229</b>	<b>25 949</b>
<b>NET ASSETS</b>	2	<b>682 894</b>	<b>307 361</b>	<b>746 473</b>	<b>828 123</b>	<b>307 361</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		682 894	307 361	746 473	828 123	307 361
Reserves			–	–		–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>682 894</b>	<b>307 361</b>	<b>746 473</b>	<b>828 123</b>	<b>307 361</b>

## Table C7: Cash flow

The table below reflects no problems in the cash flows of the institution.

EC156 Mhlontlo - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	Ref	2015/16	Budget Year 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, penalties & collection charges		5 175	7 675	13 988	58	2 363	11 657	(9 294)	-80%	13 988
Service charges			598	1 020	36	341	850	(509)	-60%	1 020
Other revenue		4 145	17 489	17 153	1 002	17 068	14 294	2 775	19%	17 153
Government - operating		177 973	172 237	171 953	24	165 859	143 294	22 564	16%	171 953
Government - capital		42 193	49 341	41 660	-	56 660	34 717	21 943	63%	41 660
Interest		4 397	3 670	3 820	426	3 034	3 183	(149)	-5%	3 820
Dividends			-	-			-	-		-
<b>Payments</b>										
Suppliers and employees		(175 312)	(199 830)	(191 637)	(4 138)	(139 696)	(159 698)	(20 001)	13%	(191 637)
Finance charges			-	-			-	-		-
Transfers and Grants			-	-			-	-		-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>58 571</b>	<b>51 180</b>	<b>57 956</b>	<b>(2 592)</b>	<b>105 628</b>	<b>48 297</b>	<b>(57 331)</b>	<b>-119%</b>	<b>57 956</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		28		-			-	-		
Capital assets		(48 050)	(49 341)	(54 241)	(3 675)	(41 227)	(45 201)	(3 974)	9%	(54 241)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(48 022)</b>	<b>(49 341)</b>	<b>(54 241)</b>	<b>(3 675)</b>	<b>(41 227)</b>	<b>(45 201)</b>	<b>(3 974)</b>	<b>9%</b>	<b>(54 241)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>10 549</b>	<b>1 839</b>	<b>3 715</b>	<b>(6 268)</b>	<b>64 401</b>	<b>3 096</b>			<b>3 715</b>
Cash/cash equivalents at beginning:		15 377	37 347	3 358		3 358	3 358			3 358
Cash/cash equivalents at month/year end:		25 926	39 186	7 073		67 759	6 454			7 073

## PART 2: SUPPORTING DOCUMENTATION

### Table SC1: Material Variances and explanations

EC156 Mhlontlo - Supporting Table SC1 Material variance explanations - M10 April

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<b>Revenue By Source</b>			
	Property rates	20%	The budget was based on the old valuation. There was a supplementary valuation roll which was completed in May 2016 after the budget had been approved.	To be corrected in the next adjustment Budget
	Rental of facilities and equipment	31%		To be corrected in the next adjustment Budget
	Interest earned - external investments	4%	over collection	To be corrected in the next adjustment Budget
	Fines	32%	over collection	To be corrected in the next adjustment Budget
	Licences and permits	9%	under collected	To be corrected in the next adjustment Budget
	Agency services	-5%	under collected	To be corrected in the next adjustment Budget
	Transfers recognised - operational	19%		To be corrected in the next adjustment Budget
	Interest earned - outstanding debtors	11%	over collection	To be corrected in the next adjustment Budget
	Other revenue	-74%	under collected	To be corrected in the next adjustment Budget
2	<b>Expenditure By Type</b>			
	Employee related costs	-10%	low spending	To be corrected in the next adjustment Budget
	Remuneration of councillors	-4%	Councillors paid pro-rata	To be corrected in the next adjustment Budget
	Debt impairment	-100%	Debt impairment provision to be reviewed at year end and the expenditure to be recorded at year end.	To be corrected in the next adjustment Budget
	Depreciation & asset impairment	-100%	Depreciation not yet processed in the system.	To be corrected in the next adjustment Budget
	Contracted services	18%		To be corrected in the next adjustment Budget
	Other expenditure	-19%	low spending	To be corrected in the next adjustment Budget
3	<b>Capital Expenditure</b>			
	Vote 3 - MUNICIPAL MANAGER'S OFFICE	0%	Only PMU Department spent on capital Assets	To be corrected in the next adjustment Budget
	6.1 - HR	0%	MM,LED,POUND,SOLID WASTE PROJECT HAVE NOT YET STARTED SPENDING.	To be corrected in the next adjustment Budget
	7.1 - LED	0%		To be corrected in the next adjustment Budget
	8.2 - Pound	20%		To be corrected in the next adjustment Budget
	8.3 - Solid Waste	-100%	No expenditure incurred yet	To be corrected in the next adjustment Budget
	9.3 - Project Management Unit (PMU)	-1%		To be corrected in the next adjustment Budget

### Table SC3: Aged Debtors

The municipality is being owed a total amount of R50.6 million of which the biggest portion is on government departments with R36.8 million being owed by this group of debtors.

The second biggest is household debtors that are sitting at R9.1 million. The last are the businesses owing just over R4.7 thousand.

EC156 Mhlontlo - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April

Description	NT Code	Budget Year 2016/17						
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	Total	Total over 90 days
<b>R thousands</b>								
<b>Debtors Age Analysis By Income Source</b>								
Receivables from Non-exchange Transactions - Property Rates	1400	566	1 192	1 178	1 203	40 243	44 381	41 445
Receivables from Exchange Transactions - Waste Management	1600	171	121	120	118	5 787	6 317	5 905
<b>Total By Income Source</b>	<b>2000</b>	<b>736</b>	<b>1 313</b>	<b>1 298</b>	<b>1 321</b>	<b>46 029</b>	<b>50 698</b>	<b>47 350</b>
2015/16 - totals only							-	-
<b>Debtors Age Analysis By Customer Group</b>								
Organs of State	2200	(117)	761	758	789	34 664	36 855	35 453
Commercial	2300	250	199	195	192	3 891	4 727	4 083
Households	2400	604	353	345	340	7 474	9 116	7 815
<b>Total By Customer Group</b>	<b>2600</b>	<b>736</b>	<b>1 313</b>	<b>1 298</b>	<b>1 321</b>	<b>46 029</b>	<b>50 698</b>	<b>47 350</b>

### Table SC4: Aged Creditors

EC156 Mhlontlo - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description	NT Code	Budget Year 2016/17								Total
		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>R thousands</b>										
<b>Creditors Age Analysis By Customer Type</b>										
Trade Creditors	0700	-	-	-	-	-	-	(209)	(341)	(550)
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	30	-	32	3	-	33	11	(15)	93
<b>Total By Customer Type</b>	<b>1000</b>	<b>30</b>	<b>-</b>	<b>32</b>	<b>3</b>	<b>-</b>	<b>33</b>	<b>(198)</b>	<b>(356)</b>	<b>(457)</b>



## Table SC5: Investment Portfolio Analysis

All the call deposits are highly liquid short-term investments and are held for the purpose of meeting short-term commitments rather than the purpose of earning a return (interest).

The table below reflects on account balances as at the end of April 2017. Total cash available was R83.4 million.

EC156 Mhlontlo - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M10 April

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 <sup>1</sup> (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
<b>R thousands</b>									
<b>Municipality</b>									
(FMG) 62280641244 - FNB		Call	Call Deposit	Call Deposit	7	0	1 624	-	1 624
(MSIG) 62280642416 - FNB		Call	Call Deposit	Call Deposit	0	0	10	-	10
(Equitable Share) 62027945809 - FNB		Call	Call Deposit	Call Deposit	179	0	44 344	13 087	31 257
(MIG) 62170844221 - FNB		Call	Call Deposit	Call Deposit	105	0	25 260	4 210	21 050
(Gqunu Lots) 62020395390 - FNB		Call	Call Deposit	Call Deposit	3	0	698	-	698
(IDP) 62075570137 - FNB		Call	Call Deposit	Call Deposit	5	0	1 233	-	1 233
(INEP) 74231136926 - FNB		Call	Call Deposit	Call Deposit	33	0	6 242	-	6 242
(LED) 62075571713 - FNB		Call	Call Deposit	Call Deposit	1	0	396	-	396
(Revolving Fund) 61399068117 - FNB		Call	Call Deposit	Call Deposit	90	0	20 202	-	20 202
(Bulk Housing) 62280645345 - FNB		Call	Call Deposit	Call Deposit	3	0	736	-	736
(7 days Notice) 74366814934- FNB		Call	Call Deposit	Call Deposit	-	-	10	-	10
<b>Municipality sub-total</b>					<b>426</b>	<b>0</b>	<b>100 755</b>	<b>17 297</b>	<b>83 458</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>				<b>426</b>		<b>100 755</b>	<b>17 297</b>	<b>83 458</b>

## Table SC6: Grants Receipts

The grants that were expected in December were received. The table below reflects on individual grants received.

EC156 Mhlontlo - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M10 April

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		218 402	170 887	172 138	-	888	172 138	750	0.4%	172 138
Local Government Equitable Share		159 404	154 313	154 313		313	154 313	-		154 313
Municipal Systems Improvement		930	-	-		-	-			-
Finance Management		1 875	2 010	2 010	-	2 010	2 010			2 010
EPWP Incentive		1 000	1 232	1 232	-	1 232	1 232			1 232
Integrated National Electrification Programme		13 000	12 500	12 500	-	12 500	12 500			12 500
Municipal Infrastructure Grant (MIG)-operating		42 193	832	2 083	-	2 833	2 083	750	36.0%	2 083
<b>Provincial Government:</b>		170	1 350	1 350	-	1 350	1 350	-		1 350
Library & Subsidies		170	350	350	-	350	350	-		350
EPWP Incentive	4		1 000	1 000	-	1 000	1 000	-		1 000
<b>Total Operating Transfers and Grants</b>	5	218 572	172 237	173 488	-	238	173 488	750	0.4%	173 488
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		38 278	40 828	39 577	-	53 827	39 577	14 250	36.0%	39 577
Municipal Infrastructure Grant (MIG)		38 278	40 828	39 577	-	53 827	39 577	14 250	36.0%	39 577
<b>Total Capital Transfers and Grants</b>	5	38 278	40 828	39 577	-	53 827	39 577	14 250	36.0%	39 577
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	256 850	213 065	213 065	-	228 065	213 065	15 000	7.0%	213 065

## Table SC7: Grants expenditure

The table below reflects on grants' expenditures since July. These amounts are exclusive of VAT.

Finance management grant's expenditure amounts to R928 thousand. This amount was used on interns' salaries and training.

Library grant expenditure amounts to R309 thousand, and was used is paying the librarians' salary.

MIG operating expenditure amounts to R3 million.

MIG capital expenditure amounts to R34.4 million

EC156 Mhlontlo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M10 April

Description	Ref	2015/16	Budget Year 2016/17							
		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>										
<b>National Government:</b>		218 933	170 887	172 138	516	17 568	102 733	(85 165)	-82.9%	170 887
Local Government Equitable Share		159 404	154 313	154 313			92 588	(92 588)	-100.0%	154 313
Municipal Systems Improvement		930	-	-	-	-	-	-		-
Finance Management		1 875	2 010	2 010	64	928	1 407	(479)	-34.0%	2 010
EPWP Incentive		1 000	1 232	1 232	166	1 131	739	392	53.0%	1 232
Integrated National Electrification Programme		13 531	12 500	12 500	-	12 500	7 500	5 000	66.7%	12 500
0				-			-	-		-
Municipal Infrastructure Grant (MIG)-operating		42 193	832	2 083	286	3 009	499 067.12	2 510	502.9%	832
<b>Provincial Government:</b>		170	1 350	1 350	44	374	1 210	(836)	-69.1%	1 350
Library & Subsidies		170	350	350	11	309	210	99	47.0%	350
EPWP Incentive		-	1 000	1 000	33	65	1 000	(935)	-93.5%	1 000
<b>Total operating expenditure of Transfers and Grants:</b>		<b>219 103</b>	<b>172 237</b>	<b>173 488</b>	<b>560</b>	<b>17 942</b>	<b>103 943</b>	<b>(86 001)</b>	<b>-82.7%</b>	<b>172 237</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		38 278	40 828	39 577	3 758	34 489	24 497	9 992	40.8%	40 828
Municipal Infrastructure Grant (MIG)		38 278	40 828	39 577	3 758	34 489	24 497	9 992	40.8%	40 828
District Municipality:		-	-	-	-	-	-	-		-
<b>Total capital expenditure of Transfers and Grants</b>		<b>38 278</b>	<b>40 828</b>	<b>39 577</b>	<b>3 758</b>	<b>34 489</b>	<b>24 497</b>	<b>9 992</b>	<b>40.8%</b>	<b>40 828</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>257 381</b>	<b>213 065</b>	<b>213 065</b>	<b>4 318</b>	<b>52 432</b>	<b>128 440</b>	<b>(76 008)</b>	<b>-59.2%</b>	<b>213 065</b>

## Table SC8: Councillor and Staff benefits

The table below reflects on councillor's benefits, senior managers and other municipal staff.  
Total amount spent on salaries since July is R80.2 million.

EC156 Mhlontlo - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April

Summary of Employee and Councillor remuneration	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		11 184	11 826	15 170	919	9 411	12 642	(3 231)	-26%	11 826
Pension and UIF Contributions		-	1	-	0	4	-	4	#DIV/0!	1
Medical Aid Contributions		-	-	-	-	16	-	16	#DIV/0!	-
Motor Vehicle Allowance		3 363	3 942	-	274	2 591	-	2 591	#DIV/0!	3 942
Cellphone Allowance		1 270	1 368	1 346	110	937	1 122	(185)	-17%	1 368
Housing Allowances		-	-	-	-	1	-	1	#DIV/0!	-
Other benefits and allowances		755	156	-	10	235	-	235	#DIV/0!	156
<b>Sub Total - Councillors</b>		<b>16 573</b>	<b>17 293</b>	<b>16 517</b>	<b>1 313</b>	<b>13 195</b>	<b>13 764</b>	<b>(569)</b>	<b>-4%</b>	<b>17 293</b>
% increase	4		4.3%	-0.3%						4.3%
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		4 464	3 789	3 789	391	4 041	3 158	884	28%	3 789
Pension and UIF Contributions		11	18	18	1	9	15	(5)	-37%	18
Motor Vehicle Allowance		1 374	1 507	1 507	121	1 271	1 256	16	1%	1 507
Cellphone Allowance		30	-	-	17	131	-	131	#DIV/0!	-
Housing Allowances		285	773	773	22	208	644	(436)	-68%	773
Other benefits and allowances		797	130	130	135	182	109	73	68%	130
<b>Sub Total - Senior Managers of Municipality</b>		<b>6 960</b>	<b>6 217</b>	<b>6 217</b>	<b>687</b>	<b>5 843</b>	<b>5 181</b>	<b>662</b>	<b>13%</b>	<b>6 217</b>
% increase	4		-10.7%	-10.7%						-10.7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		39 564	44 937	43 026	3 443	34 469	35 855	(1 386)	-4%	44 937
Pension and UIF Contributions		5 608	7 784	8 275	481	4 890	6 896	(2 006)	-29%	7 784
Medical Aid Contributions		4 891	5 307	4 737	427	4 090	3 948	142	4%	5 307
Overtime		2 084	-	2 483	9	2 297	2 069	229	11%	-
Performance Bonus		-	-	3 336	-	-	2 780	(2 780)	-100%	-
Motor Vehicle Allowance		5 985	7 096	14 452	594	5 917	12 044	(6 127)	-51%	7 096
Cellphone Allowance		715	951	1 106	56	589	921	(333)	-36%	951
Housing Allowances		2 156	2 732	1 754	191	1 969	1 462	507	35%	2 732
Other benefits and allowances		8 481	7 861	2 771	830	6 009	2 309	3 701	160%	7 861
Payments in lieu of leave		-	4 281	880	123	959	733	226	31%	4 281
<b>Sub Total - Other Municipal Staff</b>		<b>69 484</b>	<b>80 948</b>	<b>82 819</b>	<b>6 154</b>	<b>61 189</b>	<b>69 016</b>	<b>(7 827)</b>	<b>-11%</b>	<b>80 948</b>
% increase	4		16.5%	19.2%						16.5%
<b>Total Parent Municipality</b>		<b>93 017</b>	<b>104 458</b>	<b>105 553</b>	<b>8 154</b>	<b>80 227</b>	<b>87 961</b>	<b>(7 734)</b>	<b>-9%</b>	<b>104 458</b>
Unpaid salary, allowances & benefits in arrears:			12.3%	13.5%						12.3%
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>93 017</b>	<b>104 458</b>	<b>105 553</b>	<b>8 154</b>	<b>80 227</b>	<b>87 961</b>	<b>(7 734)</b>	<b>-9%</b>	<b>104 458</b>
% increase	4		12.3%	13.5%						12.3%
<b>TOTAL MANAGERS AND STAFF</b>		<b>76 444</b>	<b>87 165</b>	<b>89 036</b>	<b>6 841</b>	<b>67 032</b>	<b>74 197</b>	<b>(7 165)</b>	<b>-10%</b>	<b>87 165</b>

## Additional Information

<b>Reconciliation of cash available</b>	
	<b>Apr-17</b>
Cash and cash equivalents(excl. call accounts) at month end -30 April 2017	832 425.11
Call Accounts	83 458 008.66
<b>Net cash available for internal distribution</b>	<b>84 290 433.77</b>
<b>Less: Conditional Grants</b>	<b>-31 989 817.32</b>
FMG	-1 623 643.30
MIG	-21 050 386.36
Gqunu Lots	-698 353.26
DEDEAT	-1 233 000.04
Electrification programme	-6 242 342.50
LED	-396 303.88
Bulk housing	-735 787.98
7 Day's notice	-10 000.00
<b>Less: Employee Benefit Reserve</b>	<b>-16 000 000.00</b>
<b>Less: Expected future payments (Operations)</b>	<b>-28 900 607.66</b>
Electricity	-2 050 000.00
Telephone	-13 456 070.00
Vodacom (Laptops & 3G)	-1 704 294.00
Cleaning Materials	-585 000.00
Printing & Stationery	-600 000.00
Vehicle Repairs	-1 400 000.00
Travelling & Accommodation	-1 991 678.00
Security costs	-1 965 565.66
Fuel & Oil	-1 838 000.00
Legal Fees	-2 000 000.00
Audit Fees	-1 310 000.00
<b>Current Cash Resources available/shortfall</b>	<b>7 400 008.79</b>

**Section 16 – Municipal Manager’s quality certification**

**QUALITY CERTIFICATE**

I, S.G. Sotshongaye, the Municipal Manager of Mhlontlo Local Municipality hereby certify that:-

The Monthly budget statement for the quarter ending 30 April 2016/2017 financial year has been prepared in accordance the Municipal Finance Management Act and the regulations made under the Act.

Name: S.G. Sotshongaye

Municipal Manager of Mhlontlo Local Municipality

Signature  .....

Date.....