



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

**Consolidated 71 report for the month ending
31 January 2021**

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This report contains information in summary form and is therefore intended for general guidance. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Limpopo Provincial Treasury hereby disclaims any and all responsibility for any loss, injury, damages, or expense directly or indirectly arising out of or relating to the use or reliance on this publication or the material contained therein. This report has been prepared for Capricorn, Mopani, Sekhukhune, Vhembe and Waterberg Districts and their local Municipalities, Limpopo Legislature, Provincial and National Treasuries. Provincial Treasury does not accept responsibility to any other party to whom it may be shown, or who on their own volition, may decide to rely on it. This report has been compiled based on preliminary information obtained from the National Treasury Local Government Database. The information provided, accounting records and financial information of the municipalities have not been audited and accordingly the Limpopo Provincial Treasury can express no assurances thereon. This publication is in compliance with, amongst others, Section 71 of the Municipal Finance Management Act No. 56 of 2003, and is not to be used for any other purpose.

All information in this report is based on:

- *Section 71 MFMA reports that each Municipal Manager and Chief Financial Officer was required submit to National Treasury. Therefore, any queries on the budget, revenue or expenditure figures reflected in the report must be referred to the relevant Municipal Manager or Chief Financial Officer.*

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Acronyms

AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
CFO	Chief Financial Officer
CG	Conditional Grants
CoGHSTA	Department of Cooperative Governance, Human Settlement and Traditional Affairs
DCoG	Department of Cooperative Governance and Traditional Affairs
DM	District Municipality
FMCMM	Financial Management Capability Maturity Model
FMG	Financial Management Grant
GRAP	Generally Recognised Accounting Practice
IDP	Integrated Development Plan
LM	Local Municipality
LPT	Limpopo Provincial Treasury
LED	Local Economic Development
MFMA	Municipal Finance Management Act
MFIP	Municipal Finance Improvement Programme
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agency (MISA)
MM	Municipal Manager
MTREF	Medium Term Revenue and Expenditure Framework
mSCOA	Municipal Standard Chart of Accounts
NT	National Treasury
PT	Provincial Treasury
SCM	Supply Chain Management
UIF`	Unauthorised, Fruitless and Wasteful expenditure
YTD	Year to Date

1 Introduction

The National Treasury has delegated 26 of 27 municipalities to Limpopo Provincial Treasury to carry out its functions stated out in the MFMA. In terms of section 5, Chapter 2 of Municipal Finance Management Act of 2003, National Treasury must:

- (a) Fulfill its responsibilities in terms of Chapter 13 of the Constitution and this Act;
- (b) Promote the object of this Act as stated in section 2-
 - (i) Within the framework of co-operative government set out in Chapter 3 of the Constitution; and
 - (ii) When coordinating intergovernmental financial and fiscal relations in terms of the Intergovernmental Fiscal Relations Act, 1997 (ActNo.97 of 1997), the annual Division of Revenue Act and the Public Finance Management Act; and
- (c) Enforce compliance with measures established in terms of section 216 (1) of the Constitution, including those established in terms of this Act.

2 Purpose

The purpose of this report is to provide an overview of the state of municipal finances and actual information from the municipal In-Year financial monitoring system (i.e. section 71 reports).

3 Background

Section 154 (1) of The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) provides for national and provincial spheres of government to support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.

Section 71 of the Municipal Finance Management Act (MFMA) requires all municipalities to submit monthly budget statements to the Provincial Treasury by the 10th working day

of each month. The MFMA and the Municipal Budgets and Reporting Regulations require municipalities to submit a set of reports in a prescribed format and in this regard, Provincial Treasury monitors the level of compliance by all municipalities on the 10th working day and further assess the municipal budget implementation.

Provincial Treasury uses the Local Government Database of National Treasury as the primary source for the data used and analysed in this report. It should be noted that the quality of this report depends on the credibility of the information contained in the reports submitted by municipalities.

Section 71(6) of the MFMA requires the Provincial Treasury to consolidate the monthly budget statements of the municipalities in the province and submit such report to the National Treasury by the 22nd working day of each month. This report is accordingly submitted to serve this required purpose.

This report provides a high-level review of the budget implementation for the Limpopo municipalities for the month ending 31 January 2021.

4 Key highlights

- Grant spending for the as at 31 January 2021 stood at R10.2 billion or 58 percent against the allocated R17 billion across municipalities in the province. On a linear projection not all grants are above 50 percent spending with transport grant recording the lowest at 32 percent. This poses a high risk of reverting unspent conditional grant to the National Revenue Fund at year end.
- Overall capital expenditure stands at 94 percent of the aggregate YTD budget of R4.7 billion. The YTD actual over the Adjustment Budget stands at 69 percent which is on average seems satisfactory. Sekhukhune district municipalities are the highest performing municipalities leading to a high average performance, followed by Mopani district. As at the end the end of the January 2021 municipalities within the Waterberg and Vhembe district spending on the capital budget was the lowest in

the province at 37 and 44 percent of the year to date budget, this spending is not satisfactory and poses risks to the service delivery in these districts.

- The funding mix of capital budgets is predominantly funded through grants at 45 percent of the total capital YTD budget, own revenue stands at 14 percent and 0.5 percent of the municipalities reported the use of additional sources of funding in the form of borrowings. Only one district Vhembe reported 0.1 percent of other transfers and grants as a source of funding in the YTD actual. Most municipalities cannot afford to take up loans to fund their capital expenditures due to the inability to afford the repayments as well as declining cash flows. The municipalities that can afford to take up borrowing show no appetite due to the volatile economy where the risk of reduction in the equitable share is an ever-present danger.
- Poor reporting is observed with most municipalities in the province as they continue to budget outside their respective financial systems contrary to the mSCoA regulations. This results in the in-year reporting being distorted from the initial budget targets and could result in municipalities incurring high UIFW at the end of the year.
- The poor reporting also results from an over-reliance on the system vendors in populating municipal performance information. The mSCoA regulations are clear in that municipalities should be the custodians of their own information and should be able to budget, transact and report from their financial systems without assistance. The system vendors should only assist in cases where accounts were mapped incorrectly. In April/May= 2021 LPT aims as part of its Tabled Budget Bilateral to do system demonstrations where municipalities will be required to demonstrate to the Treasury the functionality/capacity of the main financial system.
- The debtors' book for municipalities in the provinces is in almost R9 billion with 88 percent (R8 billion) of the amount over 90 days. The bulk of total debtors is in respect of Households which constitutes 53 percent of the debt which indicates that municipalities are not collecting much on long outstanding debtors. Low collection of long outstanding debtors may result in liquidity issues being experienced by municipalities.

- It is observed that one districts in the Province (Sekhukhune) exceeded the year to date budget for the billing of revenue. This might be due to revenue items that were under budgeted. Vhembe achieved 94 percent of the YTD budget.
- Municipalities do not pay their suppliers within the legislated 30 days period as required by MFMA Section No. 65, with Waterberg district municipalities still being the highest owing almost R9 million of the R1,2 billion creditors' book.

5 In-Year Reporting: Compliance Monitoring

Table 1: MSCOA - Summary - Upload and Segment Validation

	Submitted/Successful	Submitted/with Errors	Outstanding	Total
Creditors Monthly-M04	27	0	0	<u>27</u>
Debtors Monthly-M04	23	2	2	<u>27</u>
In-Year Monthly 04	27	0	0	<u>27</u>

Source: National Treasury Local Government Database

A high level summary indicates that of the three required monthly data strings, the 27 municipalities in the Province were able to correctly submit Creditors return and In Year Monthly reports successfully. The debtors' string had two outstanding submissions and two error reports. Municipalities were reminded and non-compliance letters written to Accounting Officers in this regard.

6 Budget Implementation Overview

This consolidated State of Municipal Finances report covers the financial performance of the municipalities for the January month of the 2020/21 financial year. The consolidated report assesses the in-year financial performance of the municipality against the budgeted revenue and expenditure. The assessment of the in-year financial performance would be based on the s71 returns which include capital and operating budgets as well as debtors, creditors, cash flow and grants that were submitted by municipalities. The

focus of this assessment is on the credible implementation of municipal budgets in relation to the IDP and SDBIP objectives.

6.1 Budgeting for CoVID-19 Projects

Since the declaration of the National State of Disaster Regulations under the Disaster Management Act, 2002 regarding steps to prevent an escalation of the disaster or to alleviate, contain and minimize the effects of the Disaster have been updated from time to time.

In June 2020, the Minister of Finance announced additional equitable allocations to local government in order to boost the response towards the pandemic. Furthermore, municipalities were guided through mSCoA Circular 9 on the need to create CoVID-19 specific projects within their respective financial systems. This would ensure transparency as to how grant allocations related to the pandemic are budgeted and expensed.

Municipalities that had not created CoVID-19 projects nor recognized the additional equitable share allocation in their original budgets were advised to pass Special Adjustments Budgets by no later than 30 September 2020. The main adjustment budgets will be passed by municipalities by the 28th February 2021 and errors made in the Adopted budgets will be corrected in line with MFMA s28 as well as taking into consideration additional allocation made available.

6.2 Reducing unfunded budgets

Further to municipalities being required to pass Special Adjustment Budgets to recognise the additional equitable share and the creation of Covid-19 projects on the systems, municipalities were also advised to ensure that any unfunded original budgets be corrected during this process. Municipalities with deep underlying financial problems which could not be funded in the short term were advised to adopt Budget Funding Plans together with the unfunded Special Adjustment Budgets in order to outline the key

measures to be taken to move towards funded positions in the future. The implementation of the Budget Funding Plans is constantly monitored by the Treasury through Midyear Budget and Performance Bilateral held in January/February each as well as other engagements.

6.3 Consolidated Budget Performance

This section of the report focuses on the financial health of the municipality as reflected in Table 3 Consolidated Budget Performance Summary shown below.

Table 2: Consolidated Budget Performance Summary

Summary - Table C4 Quarterly Budgeted Financial Performance month ended 31 January 2021

Description	Ref	Budget year 2020/21										
		Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	M07 Jan Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
Revenue By Source												
Property rates		1,745,979	2,031,999	2,084,833	520,714	476,697	130,338	1,127,748	1,591,694	(463,946)	(29.15)	2,084,833
Service charges - electricity revenue		3,110,498	3,694,186	3,699,910	655,742	689,342	177,822	1,522,906	2,680,754	(1,157,848)	(43.19)	3,699,910
Service charges - water revenue		1,154,019	1,139,435	1,090,632	260,794	252,513	60,863	574,170	820,544	(246,374)	(30.03)	1,090,632
Service charges - sanitation revenue		274,190	303,119	298,637	61,307	56,900	21,779	139,986	219,097	(79,111)	(36.11)	298,637
Service charges - refuse revenue		338,279	390,743	382,821	95,899	93,246	27,023	216,168	285,933	(69,765)	(24.40)	382,821
Rental of facilities and equipment		24,552	42,999	34,264	5,245	4,154	1,430	10,830	28,304	(17,474)	(61.74)	34,264
Interest earned - external investments		219,060	240,555	218,483	36,858	28,183	13,149	78,189	165,261	(87,071)	(52.69)	218,483
Interest earned - outstanding debtors		554,992	624,881	627,434	171,553	194,222	74,751	440,526	468,991	(28,465)	(6.07)	627,434
Dividends received		935			23	16	10	50	50			
Fines, penalties and forfeits		117,691	213,280	202,398	3,894	9,372	4,095	17,361	148,742	(131,382)	(88.33)	202,398
Licences and permits		81,132	162,719	157,915	32,295	23,954	8,380	64,628	121,290	(56,661)	(46.72)	157,915
Agency services		48,808	151,033	103,791	50,741	34,152	12,673	97,566	81,998	15,569	18.99	103,791
Transfers and subsidies		10,149,152	10,876,758	12,421,060	4,123,402	4,878,435	293,667	9,295,504	9,473,096	(177,592)	(1.87)	12,421,060
Other revenue		153,612	416,064	464,954	60,764	144,532	12,042	217,339	345,008	(127,669)	(37.00)	464,954
Gains		414,121	20,734	9,734	326	1,983	71	2,380	7,300	(4,920)	(67.40)	9,734
Total Revenue (excluding capital transfers and contributions)		18,387,021	20,308,506	21,796,867	6,079,558	6,887,702	838,093	13,805,353	16,438,013	(2,632,660)	(16.02)	21,796,867
Expenditure By Type												
Employee related costs		5,834,310	6,643,664	6,699,765	1,502,473	1,624,003	529,205	3,655,682	5,020,391	(1,364,709)	(27.18)	6,699,765
Remuneration of councillors		483,174	563,771	564,537	125,055	154,965	56,941	336,960	421,562	(84,602)	(20.07)	564,537
Debt impairment		1,032,143	944,743	1,049,781	520	218,075	2,706	221,301	781,041	(559,740)	(71.67)	1,049,781
Depreciation and asset impairment		2,559,763	1,945,800	2,018,572	80,719	264,474	117,186	462,379	1,501,362	(1,038,983)	(69.20)	2,018,572
Finance charges		287,673	244,411	220,758	33,062	(7,953)	24,146	49,255	174,488	(125,233)	(71.77)	220,758
Bulk purchases		3,100,749	3,538,277	3,482,411	738,772	925,772	163,659	1,828,202	2,632,998	(804,795)	(30.57)	3,482,411
Other materials		306,765	505,543	613,907	115,237	215,747	(35,739)	295,245	464,866	(169,621)	(36.49)	613,907
Contracted services		2,890,530	2,690,809	3,331,469	533,659	973,227	212,776	1,719,663	2,372,722	(653,059)	(27.52)	3,331,469
Transfers and subsidies		251,089	97,126	117,807	16,471	20,781	5,707	42,959	78,573	(35,614)	(45.33)	117,807
Other expenditure		1,792,528	2,099,056	2,159,782	396,203	459,624	121,216	977,043	1,608,353	(631,310)	(39.25)	2,159,782
Losses		99,125	18,891	18,891	2,805	2,805	895	3,701	14,169	(10,468)	(73.88)	18,891
Total Expenditure		18,637,847	19,292,091	20,277,681	3,542,171	4,851,522	1,198,698	9,592,390	15,070,524	(5,478,133)	(36.35)	20,277,681
Surplus/(Deficit)												
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(250,827)	1,016,415	1,519,186	2,537,387	2,036,180	(360,605)	4,212,962	1,367,489	2,845,473	208.08	1,519,186
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		85,719	2,041	2,041	384	89	79	553	1,531	(978)	(63.91)	2,041
Transfers and subsidies - capital (in-kind - all)		32,039	920	920		8,323		8,323	690	7,633	1,106.30	920
Surplus/(Deficit) after capital transfers and contributions		3,367,091	5,465,468	5,872,254	3,129,407	2,713,656	(288,098)	5,554,964	4,571,742	983,222	21.51	5,872,254
Taxation												
Surplus/(Deficit) after taxation		3,367,091	5,465,468	5,872,254	3,129,407	2,713,656	(288,098)	5,554,964	4,571,742	983,222	21.51	5,872,254
Attributable to minorities												
Surplus/(Deficit) attributable to municipality		3,367,091	5,465,468	5,872,254	3,129,407	2,713,656	(288,098)	5,554,964	4,571,742	983,222	21.51	5,872,254
Share of surplus/ (deficit) of associate												
Surplus/(Deficit) for the year		3,367,091	5,465,468	5,872,254	3,129,407	2,713,656	(288,098)	5,554,964	4,571,742	983,222	21.51	5,872,254

Source: LG Database

As at 31 January 2021 R13.8 billion was recognised against YTD budget of R16.4 billion leading to a negative variance in over billing of 16 percent (R2.6 billion). The expenditure in average was R9.5 billion against the YTD budget of R15 billion with an average under expenditure of 36 percent. This led to an average YTD surplus of R4 billion.

6.3.1 Operating Revenue

Municipalities have on average raised R13.8 billion or 84 percent against the year to date budget of R16.4 billion.

All revenue sources underperformed with the exception of Agency Services and Dividends received which was not budgeted for. Grants remain the main source of revenue for municipalities. The YTD actual for revenue sources is as follows:

- Transfers and subsidies contribute the largest portion of municipal revenues, and the YTD variance is minimal at R178 million compared to R1.2 billion variance on Service Charges Electricity. This clearly shows the challenges municipalities have on budgeting and billing for electricity. A huge variance on electricity is also expected on the cash flow statement.
- The highest variance in percentage terms is from Fines, penalties and forfeits with 88 percent YTD variance.
- Agency Services is the only item that achieved a positive variance which suggest over collection by R15 million or 19 percent.

Municipalities are advised to maximise current revenue streams, to investigate other revenue streams in order to augment the current streams thereby reducing heavy reliance on grants. Municipalities are required to verify figures reported to ensure that there is alignment between figures presented in Municipal Council and figures reported to National Treasury LG database. Furthermore, Municipalities are advised to review the reported figures for accuracy and completeness as uninformed financial decisions may be made due to incomplete and inaccurate information.

6.3.2 Operating expenditure

As at January 2021, total operating YTD budget amounted to R15 billion against the year to date expenditure of R9.6 billion or 64 percent. Low expenditure is attributed to non-cash items that are not accounted on a monthly basis. (E.g. Debt impairment and

Depreciations & asset impairment). Municipalities should be realistic with projections on expenditure items and should consider the 2020/21 budget performance when preparing future budgets.

The following actuals were achieved for the period under review:

- Employee costs and non-cash items make up for the largest variance in rand value with under performance of R1.4 billion and aggregate of R1.6 billion for the non-cash items. The low performance on employee cost is a challenge as it symbolize the inability of municipalities to fill budgeted position which some are senior management positions like the Municipal Manager, Chief Financial Officer and other section 65 managers. The nonperformance on non-cash items is as a result of non-allocation of expenditure on a month to month basis by municipalities.
- Bulk purchases is the third highest in terms of rand value with poor performance of R805 million or 31 percent.
- Contracted services and Other expenses make up the fourth and fifth in terms of high rand value variance earning an underperformance of R653 and R631 million or 28 and 39 percent.

All expenditure items underperformed. Municipalities are encouraged to increase spending on service delivery items and reduce expenditure on non-service delivery items to below the acceptable norm especially for employee related cost and contracted services for consultants services. Allocation of non-cash items at year end is discouraged as it is a bad accounting principle adopted by most municipalities.

6.3.3 Cash flow

The summary cash flow table below shows that municipalities in the Province closed the month of January 2021 with a positive cash and cash equivalent of R3.8 billion. The results should not be heavily relied upon due to incorrect data strings uploaded to the portal which create non-alignment of data strings and schedule C.

R '000	Cashflow from	Cashflow from	Cashflow	Net Increase/(Decrease) in Cash Held	Cash/Cash equivalents at year begin	Cash/Cash equivalents month/year end	Cash/Cash equivalents month/year end
	NET CASHFLOW FROM/(USED) OPERATING ACTIVITIES	NET CASHFLOW FROM/(USED) INVESTING ACTIVITIES	NET CASHFLOW FROM/(USED) FINANCING ACTIVITIES				
Capricorn	3,064,940	(471,809)	(209)	2,592,922	474,365,663.00	3,065,708,505.00	3,540,074
Mopani	2,621,712	(392,479)	34,103	2,263,336	70,347,766.00	2,375,628,099.00	2,445,976
Sekhukhune	(198,891)	(294,130)	(366)	(493,387)	376,769,512.00	87,045,645.00	463,815
Vhembe	2,196,249	(665,880)	-	1,530,368	2,538,910,270.00	1,008,369,163.00	(3,547,279)
Waterberg	1,168,021	(228,276)	(2,849)	936,896	15,363,830.00	957,462,529.00	942,099
Total	8,852,031	(2,052,574)	30,679	6,830,135	1,632,791,159.00	5,477,475,615.00	3,844,684

Source: LG Database

6.4 Financial Performance – District Breakdown

6.4.1 Operating Revenue per district

Table 3 below shows the operating revenue performance broken down per district and the main revenue items for the month ending 31 January 2021.

Table 3: Operating Revenue per district

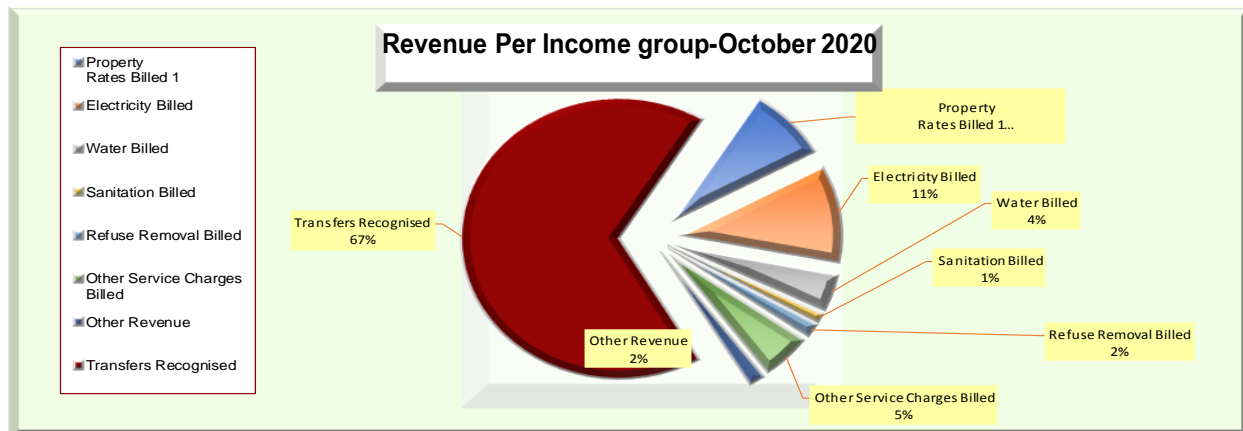
R'000	Original Budget	Adjusted Budget	YTD Budget	YTD Actual	% of year to date Budget	Property Rates Billed 1	Service Charges					Other Revenue	Transfers Recognised
							Electricity Billed	Water Billed	Sanitation Billed	Refuse Removal Billed	Other Service Charges Billed		
Capricorn	5,472,344	5,829,403	4,394,764	3,358,068	76%	342,324	609,759	171,164	71,618	79,928	193,779	18,008	1,871,489
Mopani	4,529,344	4,711,030	3,543,883	2,627,634	74%	169,606	248,728	969	715	35,417	137,339	73,667	1,961,194
Sekhukhune	2,922,659	3,301,893	2,558,408	2,999,120	117%	204,772	91,341	43,486	7,142	21,792	138,309	95,874	2,396,403
Vhembe	3,968,002	4,379,503	3,262,867	3,053,828	94%	140,387	261,970	159,388	665	32,109	103,048	22,681	2,333,581
Waterberg	3,416,157	3,575,038	2,678,092	1,766,701	66%	270,659	311,109	199,163	59,846	46,923	139,056	7,110	732,837
Total Operating Revenue	20,308,506	21,796,867	16,438,013	13,805,353	84%	1,127,748	1,522,906	574,170	139,986	216,168	711,531	217,339	9,295,504
						8%	11%	4%	1.014%	1.566%	5.154%	1.574%	67%

Source: LG Database

Municipalities per district on aggregate generated R14 billion or 84 percent against year to date budget of R22 billion with Sekhukhune achieving billing above 100 percent. Vhembe is standing at 94 percent billing with Waterberg achieving the lowest at 66 percent. All district municipalities should review revenue generated for accuracy. In addition, municipalities should ensure that monthly projections are realistic.

Figure 1 below provides a breakdown of the percentage contribution of each revenue source for Limpopo municipalities.

Figure 1: Revenue per Income Group



Source: NT Local Government Database

The following observations can be made with regard to the year-to-date actual revenue figures:

- Transfers Recognised – YTD actual is R9.3 billion (67 percent) out of R13.8 billion total YTD actual for all revenue items.
- Other Revenue– YTD actual is R217 million (1.57 percent) out of R13.8 billion total YTD actual for all revenue items. This is the second lowest YTD actual for the month.
- Other Service Charges Billed– YTD actual is R711 million (5 percent) out of R13.8 billion total YTD actual for all revenue items.
- Refuse Removal Billed– YTD actual is R216 million (1.56 percent) out of R13.8 billion total YTD actual for all revenue items which is the third lowest actual revenue earned as at October 2020.
- Sanitation Billed– YTD actual is R140 million (1 percent) out of R13.8 billion total YTD actual for all revenue items, recording the lowest revenue for the time under review.

- Water Billed– YTD actual is R574 million (4 percent) out of R13.8 billion total YTD actual for all revenue items.
- Electricity Billed– YTD actual is R1.5 billion (11 percent) out of R13.8 billion total YTD actual for all revenue items. As much as municipalities have challenges collecting from the electricity item, this still is the second highest after grant revenue, however, it must be noted that the collection at 11 percent is still considered to be very low and does not contribute positively to municipal viability.
- Property– YTD actual is R1.1 million (8 percent) out of R13.8 billion total YTD actual for all revenue items. The billing in this item is a reflection of the challenges municipalities experience with majority of municipalities failing to collect revenue in this item which will be very evident in the cash flow statement. Due to the COVID-19 pandemic impact, most municipalities continue to struggle in this item while many gave rebates to communities as part of relief measures.

6.4.2 Operating Expenditure per District

Table 4 below shows the operating expenditure performance broken down per district and the main expenditure items for the month ending 31 January 2021.

Table 4: Operating Expenditure per district

R'000	Original Budget	Adjusted Budget	YTD Budget	YTD Actual	% of Budget	Employee Related Cost	Councillor Remuneration	Debt Impairment	Depreciation and asset impairment	Bulk Purchases	Contracted Services	Other Materials	Transfers and Subsidies	Other Expenditure
Capricorn	5,359,757	5,698,057	4,156,400	2,557,316	62%	915,315	61,744	11,228	73,928	633,079	600,012	34,742	3,206	224,063
Mopani	4,196,762	4,339,953	3,246,611	1,784,024	55%	637,395	77,068	45	10	410,109	199,107	189,963	11,122	259,206
Sekhukhune	2,684,672	2,911,831	2,196,305	1,919,395	87%	650,362	95,449	147,789	62,863	166,255	511,722	32,333	15,795	236,829
Vhembe	3,680,936	3,859,924	2,880,615	1,879,659	65%	850,262	63,602	44,568	233,575	195,033	255,332	20,782	12,567	203,938
Waterberg	3,369,965	3,467,916	2,590,594	1,451,996	56%	602,348	39,097	17,671	92,004	423,728	153,490	17,425	270	105,963
Total	19,292,091	20,277,681	15,070,524	9,592,390	64%	3,655,682	336,960	221,301	462,379	1,828,202	1,719,663	295,245	42,959	1,029,999

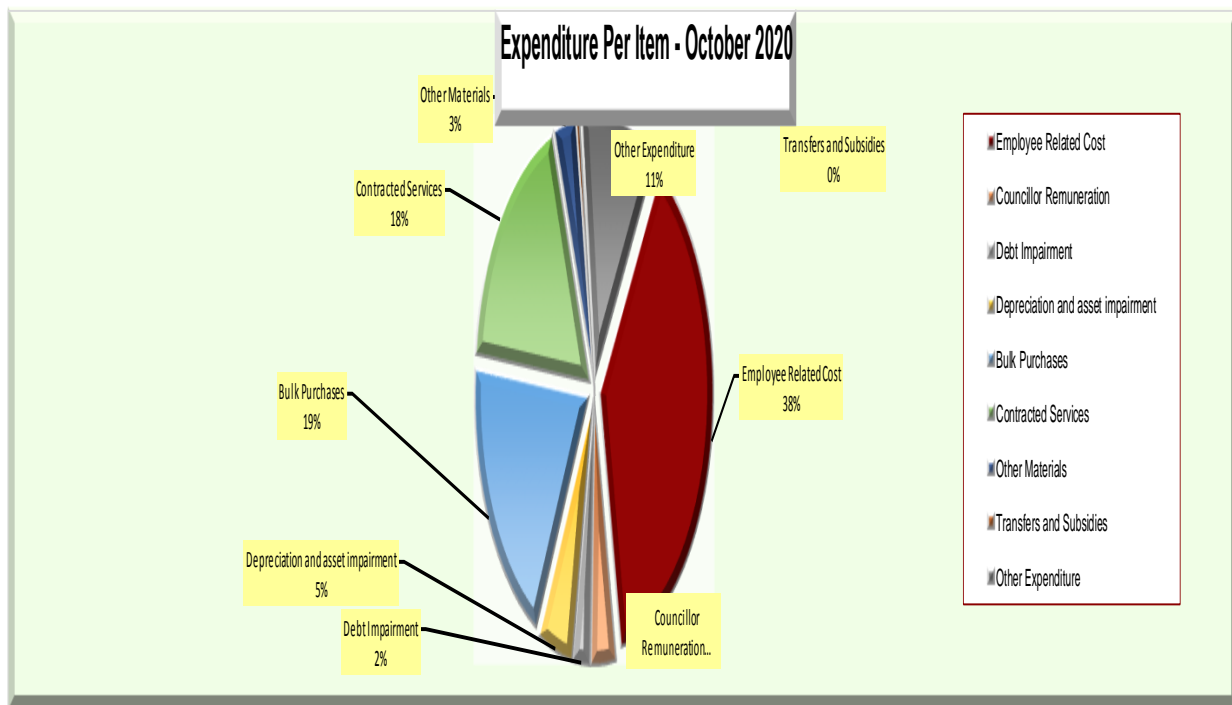
Source: NT Local Government Database

The original total operating expenditure budget for the province stood at R19.3 billion, this was subsequently adjusted upward to R20.3 billion as municipalities added CoVID-19 projects linked to the increased equitable share allocation. The aggregate year-to-date

expenditure budget stood at R15 billion as at 31 January 2021 of which R9.6 billion was spent during the period, marking an under-performance of 36 percent. Low spending on total provincial expenditure is due to municipalities not accounting for non-cash items on a monthly basis and failure to appoint staff for budgeted positions.

Figure 2 below provides a breakdown of the percentage expenditure per item for municipalities in the Province.

Figure 2: Expenditure per Item



Source: NT Local Government Database

Figure 2 above shows the performances of the individual operating expenditure items as follows:

- Other Expenditure - Out of the total YTD actual expenditure of R9.6 billion, only 11 percent which is R1 billion was achieved to date.
- Transfers and Subsidies- For the period under review, a minimal expenditure of R43 million (0.4 percent) was recorded against this item.

- Other Materials- this item recorded R295 million or 3 percent.
- Contracted Services- Out of the total YTD actual expenditure of R9.6 billion, only 17.9 percent which is R1.7 billion was achieved as at January 2021. As much as the financial ratios indicate that most municipalities are above the norm on budget allocation for this item, expenditure is still low for the period under review.
- Bulk Purchases- Out of the total YTD actual expenditure of R9.6 billion, 19 percent which is R1.8 billion was achieved to date.
- Depreciation and asset impairment- There is high non allocation by municipalities during the year on this item, this is evidenced by the low expenditure which out of the total YTD actual expenditure of R9.6 billion, only 4.8 percent which is R462 million was achieved for the period under review.
- Debt Impairment- similar to the item on depreciation, out of the total YTD actual expenditure of R9.6 billion, only 2 percent which is R221 million was achieved as at January 2021 which is largely due to allocations done at the end of the year by municipalities.
- Councilor Remuneration- Out of the total YTD actual expenditure of R9.6 billion, only 3.5 percent which is R336 million was achieved as at January 2021.
- Employee Related Cost- This is a major cost driver in most municipalities, out of the total YTD actual expenditure of R9.6 billion, only 38 percent which is R3.7 billion was achieved as at January 2021.

6.4.3 Capital spending and sources of finance

Table 5: Capital Expenditure per district

R'000	Original Budget	Adjusted Budget	Year To Date Budget	YTD Actual	% of Budget	Energy Sources	Water Management	Waste Water Management	Waste Management	Municipal governance and	Community and public	Economic and	Other
Capricorn	1,780,017	1,684,669	1,195,905	656,576	55%	27,089	331,203	120,476	1,902	20,898	21,465	133,543	-
Mopani	1,173,878	1,222,510	913,680	544,743	60%	13,814	272,014	1,009	15,360	12,173	17,598	212,775	-
Sekhukhune	890,702	1,063,461	783,132	2,501,103	319%	23,060	214,708	-	56,060	1,872,090	18,087	317,098	-
Vhembe	1,605,534	1,702,422	1,281,860	564,215	44%	52,449	311,080	-	7,486	55,560	25,428	112,212	-
Waterberg	704,591	802,423	588,042	217,311	37%	33,567	102,868	11,682	9,970	7,862	4,406	37,826	9,131
Total	6,154,722	6,475,483	4,762,619	4,483,949	94%	149,979	1,231,873	133,167	90,778	1,968,582	86,984	813,455	9,131

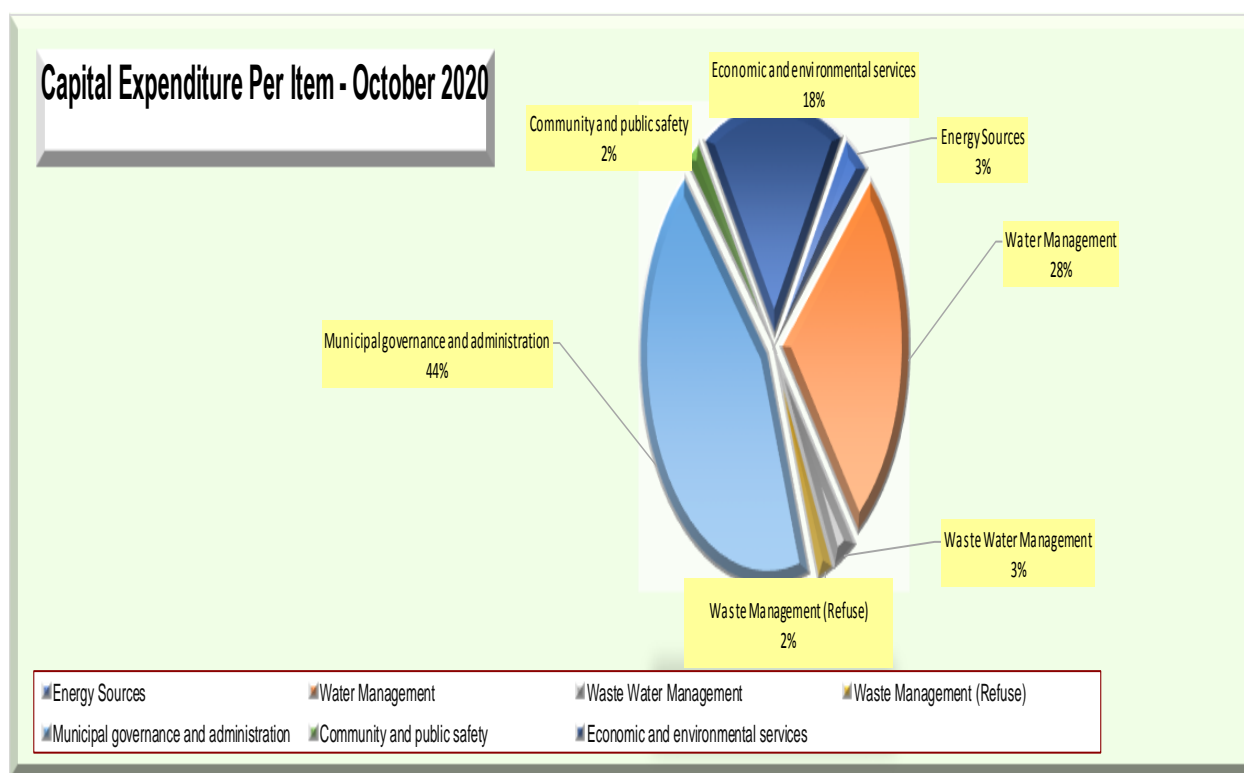
Source: NT Local Government Database

The aggregate capital budget for municipalities in the province stood at R6.2 billion which was revised upwards during the special adjustment budget process to R6.5 billion. The reported year-to-date capital expenditure stood at R4.5 billion against the year-to-date budget of R4.8 billion as at the end of January 2021.

Sekhukhune District reflected the highest capital expenditure of R2.5 billion against the adjustment budget at R1.1 billion for the period, with Mopani, Capricorn reporting 60 percent and 55 percent respectively. Vhembe and Waterberg Districts recorded the lowest expenditure against the budget which is below 50 percent, the districts earned 44 and 37 percent respectively. Against the YTD allocation for capital expenditure.

Figure 3 below provides a breakdown of the percentage capital expenditure per vote for municipalities in the Province.

Figure 3: Expenditure per Item



Source: NT Local Government Database

It can be observed that Municipal Governance and Administration makes up the largest portion of the year-to-date municipal capital spending in the province at 44 percent, with Water Management second at 28 percent. Economic and Environmental Services make up the third highest year to date capital expenditure at 18 percent. Waste Water and Management and Energy sources both earned 3 percent with the lowest being Community and Public Safety and Waste management Refuse being the lowest at 2 percent each.

Table 6: Source of Finance for Capital Expenditure

R'000	Original Budget	Adjusted Budget	Year To Date Budget	YTD Actual	% of Budget	External Loans	Asset Finance Reserve	Internally Generated funds	Public Contribution s/Donations	Transfers & Grants				Borrowing	Other
										National Grants	Provincial Grants	District Municipality	Other Transfers &	Borrowing	Other
Capricorn	1,780,017	1,684,669	1,195,905	656,576	55%	-	-	102,491	-	524,315	-	-	-	14,828	-
Mopani	1,173,878	1,222,510	913,680	544,743	60%	-	-	98,616	-	432,488	-	-	-	6,522	-
Sekukhune	890,702	1,063,461	783,132	2,501,103	319%	-	-	260,820	-	449,937	-	-	-	-	-
Vhembe	1,605,534	1,702,422	1,281,860	564,215	44%	-	-	143,399	-	410,610	-	-	2,325	-	-
Waterberg	704,591	802,423	588,042	217,311	37%	-	-	12,269	-	204,738	-	-	-	-	-
Total	6,154,722	6,475,483	4,762,619	4,483,949	94%	-	-	617,594	-	2,022,087	-	-	2,325	21,350	-

Source: NT Local Government Database

Table 6 above indicates that municipalities' capital budgets are funded predominately from only two sources namely, national grants and own revenue; with borrowing contributing a minor portion of funding sources. Only Vhembe recorded funding from provincial grants of R2.3 million with no funding from reserves, external loans or public contributions for the current financial year. National grants make up 45 percent (or R2 billion) of the year to date capital funding of R4.5 million while own revenue makes up 14 percent (R617 million).

Though the capital funding total of R4.5 billion equals to the reported capital expenditure amount which suggest a certain level of credibility on this return, there is a shortfall of R2.7 billion in breakdown of funding sources which can be seen from the figure below as 41 percent which has not been disclosed. This then casts down on the credibility of the S71 returns in terms of completeness of disclosure.

6.4.4 Cash Flow

Table 7: Cash Flow

R '000	Cashflow from	Cashflow from	Cashflow	Net Increase/(Decrease) in Cash Held	Cash/Cash equivalents at year begin	Cash/Cash equivalents month/year end	Cash/Cash equivalents month/year end
	NET CASHFLOW FROM/(USED) OPERATING ACTIVITIES	NET CASHFLOW FROM/(USED) INVESTING ACTIVITIES	NET CASHFLOW FROM/(USED)) FINANCING ACTIVITIES				
Capricorn	3,064,940	(471,809)	(209)	2,592,922	474,365,663.00	3,065,708,505.00	3,540,074
Mopani	2,621,712	(392,479)	34,103	2,263,336	70,347,766.00	2,375,628,099.00	2,445,976
Sekhukhune	(198,891)	(294,130)	(366)	(493,387)	376,769,512.00	87,045,645.00	463,815
Vhembe	2,196,249	(665,880)	-	1,530,368	- 2,538,910,270.00	- 1,008,369,163.00	(3,547,279)
Waterberg	1,168,021	(228,276)	(2,849)	936,896	- 15,363,830.00	957,462,529.00	942,099
Total	8,852,031	(2,052,574)	30,679	6,830,135	- 1,632,791,159.00	5,477,475,615.00	3,844,684

Source: LG Database

As per the data strings drawn from LG database, cash and cash equivalents at the year beginning reflected a negative balance of R1.6 billion and also a positive closing balance of R3.8 billion in January 2021.

Negative opening and closing balances were noted from Vhembe District while Waterberg reported a negative opening cash and cash equivalent with a closing positive balance due to the huge cash recorded for the month. Sekhukhune, Capricorn and Mopani recorded positive balances throughout the return. The reported information is mostly inaccurate as a result of incorrect application of the fund segment and non-alignment of schedule C and data strings. LPT will continue to work with municipalities to ensure a full alignment between council approved documents and what is contained in the financial systems of municipalities.

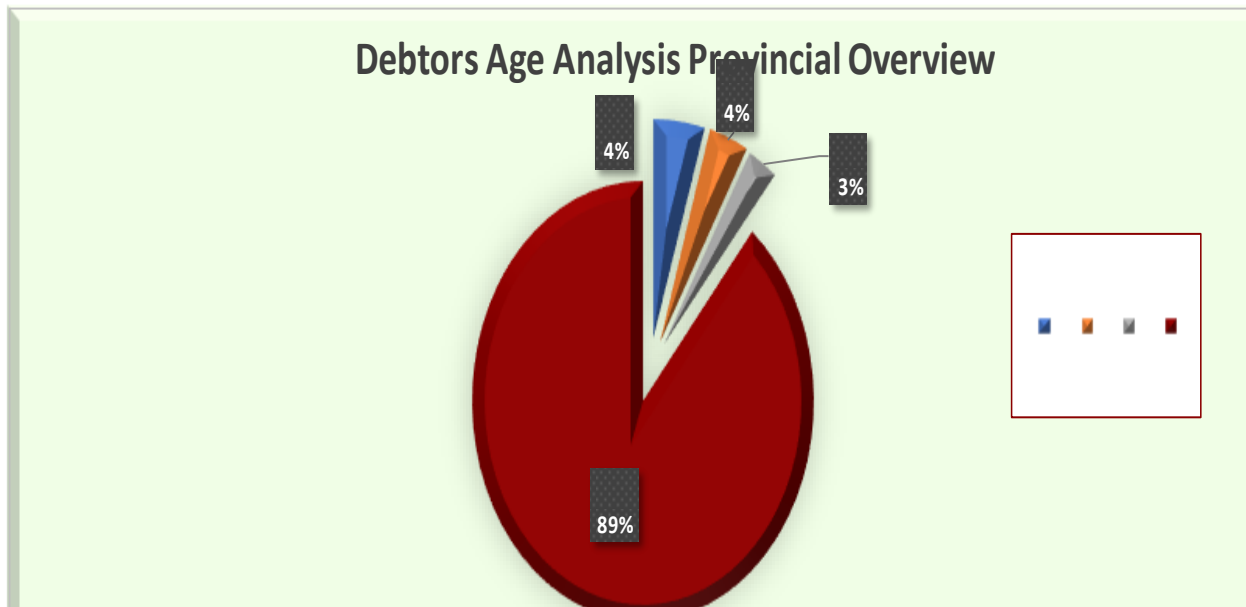
6.4.5 Debt Management

Table 8: Debtors Age Analysis

R '000	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total
	Total	%	Total	%	Total	%	Total	%	Total
	Capricorn	183,873	7%	86,916	4%	68,595	3%	2,116,353	86%
Mopani	31,742	2%	74,209	4%	50,139	3%	1,650,990	91%	1,807,081
Sekhukhune	36,878	3%	21,290	2%	20,588	2%	1,109,664	93%	1,188,421
Vhembe	93,660	5%	67,112	4%	56,611	3%	1,583,033	88%	1,800,415
Waterberg	66,527	4%	75,853	4%	55,333	3%	1,524,509	89%	1,722,221
Total	412,679	5%	325,380	4%	251,266	3%	7,984,549	89%	8,973,874

Source: NT Local Government Database

Figure 4: Debtors Age Analysis - Provincial Overview



Source: NT Local Government Database

From the debtors' book, 89 percent of the customers have been outstanding for a period of over 90 days. This is the indication that municipalities do not implement Debt and Credit control policy to collect outstanding revenue. The districts with high percentage debts over 90 days is Sekhukhune (93 percent) followed by Mopani district (91 percent).

Waterberg achieved 89 percent, Vhembe have 88 percent with Capricorn last with 86 percent.

Non - collection of revenue negatively impact the financial sustainability of the municipality. Furthermore, non – payment of services rendered may lead to delays in the implementation of the budget.

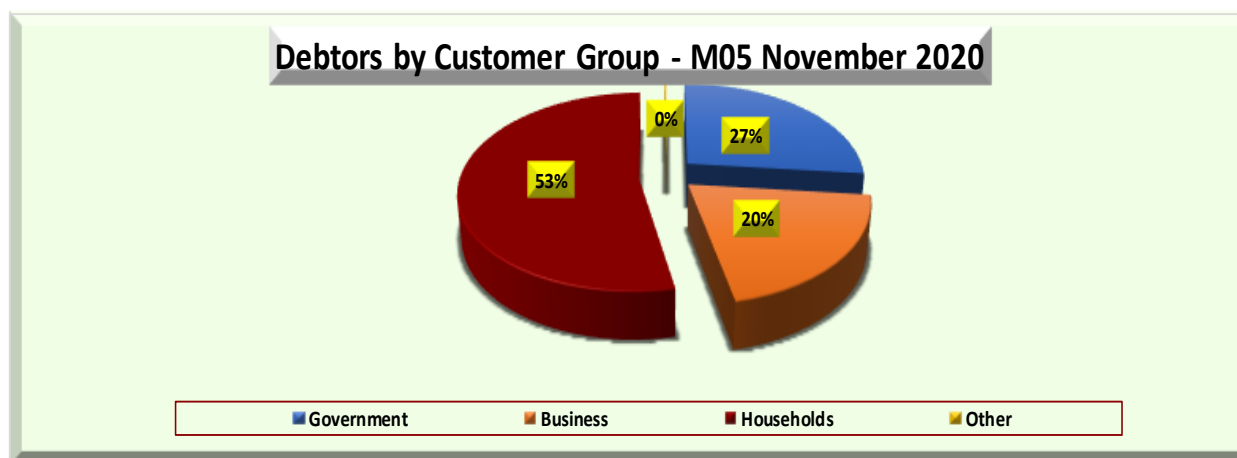
Table 9: Debtors by Customer per district

R '000	Government		Business		Households		Other		Total
	Total	%	Total	%	Total	%	Total	%	
	Capricorn	278,182	11%	958,231	39%	1,219,323	50%	0	
Mopani	259,619	14%	330,203	18%	1,217,247	67%	11	0%	1,807,081
Sekhukhune	474,482	40%	79,450	7%	653,428	55%	-18,940	-2%	1,188,421
Vhembe	230,324	13%	347,360	19%	1,222,731	68%	0	0%	1,800,415
Waterberg	1,157,067	67%	100,566	6%	464,588	27%	0	0%	1,722,221
Total	2,399,674	27%	1,815,811	20%	4,777,317.33	53%	-18,929	0%	8,973,874

Source: LG Database

Table 9 above indicates that the total debtors up to the end of January 2021 categorized by customer group amounted to R8.97 billion. Outstanding debtors in respect of Households are the highest at R4.78 billion or 53 percent of the total debtors. Although the returns do not allow negative disclosure of amounts, Sekhukhune Districts disclosed negative R19 million which casts doubt on the credibility of the reports.

Figure 5: Debtors by Customer Group



Source: NT LG database

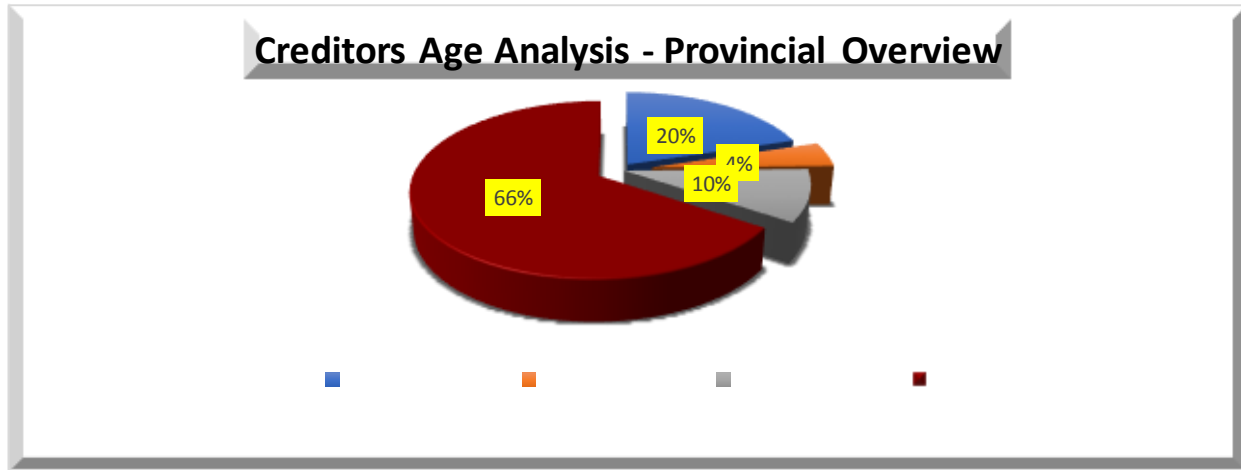
Figure 5 indicates that government entities contribute the second largest share at 27 per cent or R1.8 billion. In this regard, forum was established to facilitate the payment of outstanding government debt owed by the government entities which is facilitated by CoGHSTA.

Table 10: Creditors Age Analysis per District

R '000	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total
	Total	%	Total	%	Total	%	Total	%	Total
	Capricorn	102,897	95%	395	0%	4,485	4%	298	0%
Mopani	12,259	72%	1,565	9%	225	1%	3,030	18%	17,079
Sekhukhune	14,085	11%	13,885	11%	94,974	77%	408	0%	123,353
Vhembe	40,892	72%	2,146	4%	13	0%	13,931	24%	56,981
Waterberg	80,168	9%	38,376	4%	20,251	2%	797,286	85%	936,081
Total	250,301	20%	56,367	5%	119,948	10%	814,953	66%	1,241,568

Source: LG Database

Figure 5: Creditors Age Analysis - Provincial Overview



Source: NT LG database

Table 10 and Figure 6 above indicate that the total creditors for the period ending January 2021 categorized by district amounted to R1.2 billion. Outstanding creditor's overs 90 days are the highest at R814 million or 66 per cent of the total creditors. Waterberg district is still showing the highest share of the amount, the total creditors of R900 million.

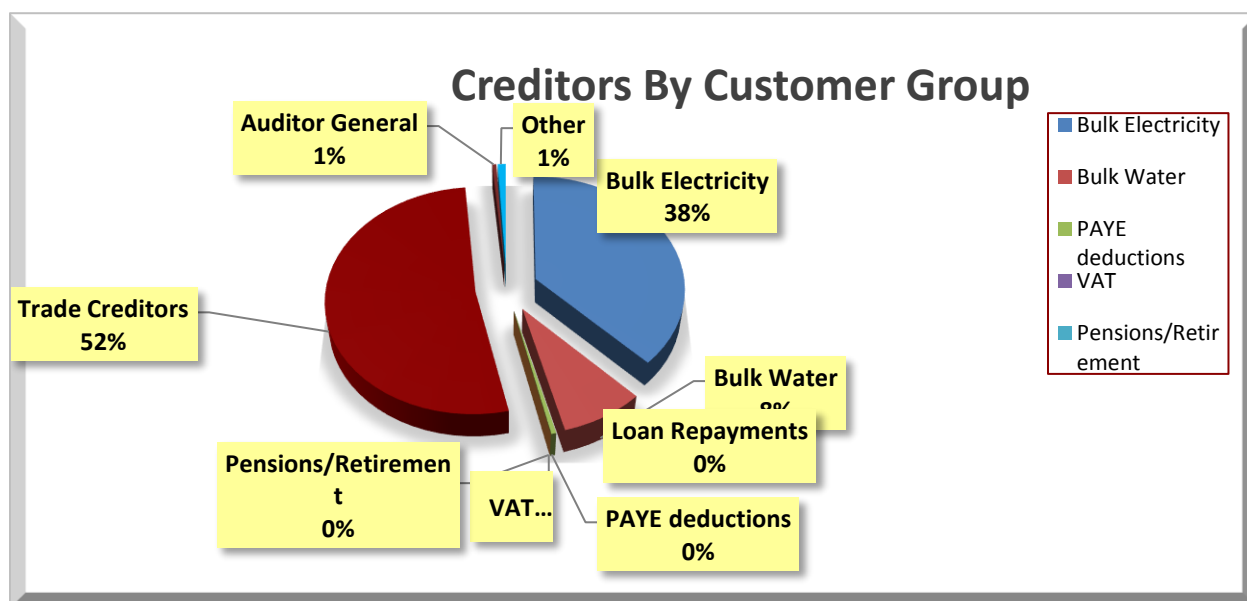
Table 11: Creditors by Customer Group per District

R '000	Bulk Electricity		Bulk Water		PAYE deductions		VAT		Pensions/Retirement		Loan Repayments		Trade Creditors		Auditor General		Other		Total
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	
Capricorn	158	0%	-	0%	-	0%	-	0%	-	0%	-	0%	100,096	93%	3,300	3.05%	4,521	4%	108,075
Mopani	-	0%	33	0%	-	0%	-	0%	-	0%	-	0%	16,465	96%	-	0.00%	580	3%	17,079
Sekukhune	-	0%	70,248	57%	-	0%	-	0%	-	0%	-	0%	53,036	43%	-	0.00%	69	0%	123,333
Vhembe	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	57,113	100%	-	0.00%	-132	0%	56,981
Waterberg	467,154	50%	33,131	4%	5,961	1%	-	0%	-	0%	-	0%	420,262	45%	2,827	0.30%	6,747	1%	936,081
Total	467,312	38%	103,412	8%	5,961	0.5%	-	0%	-	0%	-	0%	646,971	52%	6,127	0.49%	11,785	1%	1,241,568

Source: LG Database

The assessment of the creditor's data as submitted by municipalities to the National Treasury Local Government database revealed that the data is incomplete, thus not credible. Municipalities are completing the schedules incorrectly. Sometimes there is just no information completed at all while it is clear that municipalities are owing creditors. However, the report shows that the Trade Creditors category is the highest contributing 52 percent to the total amount followed by Bulk Electricity at 50 percent. This clearly outlines the challenges experience in terms of compliance with MFMA especially on Eskom Debt.

Figure 6: Creditors by Customer Group



Source: NT LG database

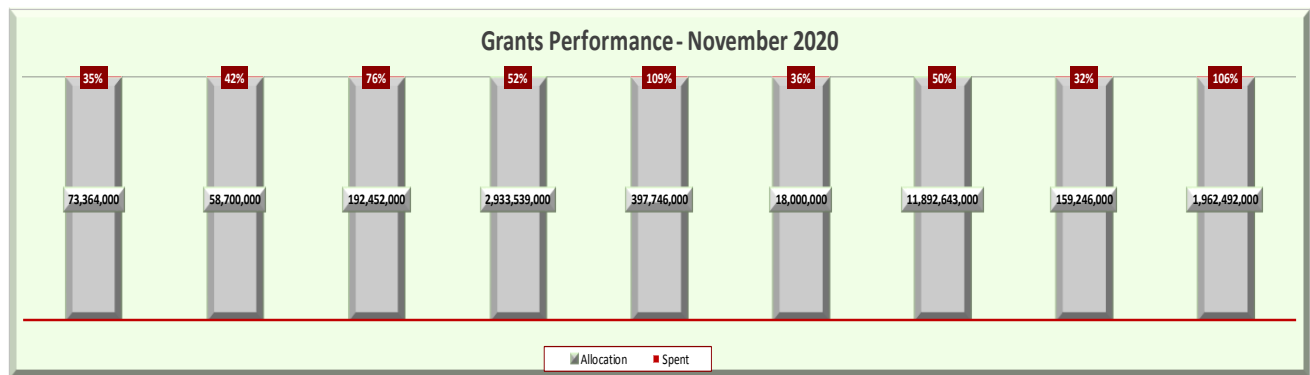
The graphical representation in Figure 7 above clearly shows that the trade creditors is the biggest debt owed by municipalities at 52 percent followed by Bulk Electricity at 38 percent. This clearly shows the challenges municipalities have in complying with the MFMA by paying creditors within 30 days especially trade creditors and Eskom.

6.4.6 Spending on Conditional Grant

Table 12: Conditional Grants

R '000	Expanded Public Works Progr Integrated Grant		Finance Management Grant		Integr Nat Electrification Progr Grant		Municipal Infrastructure Grant		Water Services Infrastructure Grant		Energy Efficiency and Demand Mng Grant		Local Government Equitable Share		Public Transport Network Grant		Other		Total		% spend
	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	
	Capricorn	18,073,000	13,271,619	10,400,000	5,503,736	54,000,000	15,367,569	361,880,000	170,419,204	130,000,000	54,233,805	2,700,000	-	2,606,603,000	1,369,410,020	159,246,000	50,228,387	708,218,000	805,728,471	4,051,120,000	
Mopani	23,542,000	3,867,433	13,600,000	4,377,265	33,724,000	12,905,304	720,676,000	353,376,984	45,000,000	293,889,391	8,100,000	837,236	2,711,750,000	1,395,038,187	-	-	605,608,000	265,475,186	4,162,000,000	2,329,766,986	56%
Sekhukhune	11,360,000	6,592,274	12,000,000	8,655,413	15,000,000	81,756,235	705,111,000	428,234,121	53,471,000	16,280,600	3,600,000	2,856,538	2,375,290,000	1,584,473,210	-	-	280,293,000	374,383,736	3,456,125,000	2,503,232,127	72%
Vhembe	13,269,000	1,418,346	11,100,000	3,368,104	33,000,000	5,548,493	839,081,000	453,481,637	52,750,000	15,956,150	-	-	2,943,439,000	1,036,075,840	-	-	180,005,000	448,139,145	4,072,644,000	1,963,987,715	48%
Waterberg	7,120,000	486,013	11,600,000	2,514,495	56,728,000	30,729,651	306,791,000	116,171,864	116,525,000	53,647,255	3,600,000	2,764,670	1,255,561,000	535,514,763	-	-	188,368,000	183,777,448	1,946,293,000	925,606,159	48%
Total	73,364,000	25,635,685	58,700,000	24,419,013	192,452,000	146,307,252	2,933,539,000	1,521,683,810	397,746,000	434,007,201	18,000,000	6,458,444	11,892,643,000	5,920,512,020	159,246,000	50,228,387	1,962,492,000	2,077,503,986	17,688,182,000	10,206,755,798	58%

Source: LG Database



Source: LG Database

Aggregate grant spending as at the end of January 2021 stood at 58 percent across all the operational and capital grants. This equates to R10.2 billion of the total grant allocation of R18 billion for the year.

Spending per conditional grant for the period was as follows:

- **Expanded Public Works Program Integrated Grant** (R26 million or 35 percent against the allocation of R73 million);
- **Finance Management Grant** (R24 million or 42 percent against the allocation of R59 million);
- **Integrated National Electrification Program Grant** (R146 million or 76 percent against the allocation of R193 million);

- **Municipal Infrastructure Grant** (R1 521 billion or 52 percent against the allocation of R2.9 billion);
- **Water Services Infrastructure Grant** (R434 million or 109 percent against the allocation of R398 million);
- **Energy Efficiency and Demand Management Grant** (R6 458 million or 36 percent against the allocation of R18 billion);
- **The Equitable Share grant** (R5.9 billion or 50 percent against the allocation of R11.9 billion) and
- **Public Transport Network Grant** (R50 million or 32 percent against the allocation of R159 million).
- **Other grants** (R2.1 billion or 106 percent against the allocation of R1.96 billion)

Municipalities are required to accelerate spending in all conditional grants to avoid surrendering of unspent portion to National Revenue Fund (NRF) at the end of financial year. Surrendering of unspent funds has a negative impact on the livelihoods of communities.

7 mSCOA - Summary - Upload and Segment Validation

The color coded table below shows the status of Limpopo municipalities' financial submissions and validations with regards to PAUD, ORGB, PROR, ADJB, PRAD, M01 to M07 as at 31 January 2021.

Table 13: mSCOA uploads

		Financial Year										
		2021										
		ORGB	PROR	ADJB	PRAD	M01	M02	M03	M04	M05	M06	M0
Ba-Phalaborw a	LIM334											
Bela Bela	LIM366											
Blouberg	LIM351											
Capricorn	DC35											
Collins Chabane	LIM345											
Elias Motsoaledi	LIM472											
Ephraim Mogale	LIM471											
Greater Giyani	LIM331											
Greater Letaba	LIM332											
Greater Tzaneen	LIM333											
Lepelle-Nkumpi	LIM355											
Lephalale	LIM362											
Makhado	LIM344											
Makhuduthamaga	LIM473											
Maruleng	LIM335											
Modimolle-Mookgopong	LIM368											
Mogalakw ena	LIM367											
Molemole	LIM353											
Mopani	DC33											
Musina	LIM341											
Polokw ane	LIM354											
Sekhukhune	DC47											
Thabazimbi	LIM361											
Thulamela	LIM343											
Tubatse Fetakgomo	LIM476											
Vhembe	DC34											
Waterberg	DC36											

Explanation of the color

	- correct (Phase 2),
	- Segment errors (Phase 2),
	- Submitted with Error (Phase 1)
	- Outstanding,
	- N/A

As per the Table 14 above, all the budget and monthly financial reports were submitted with exception to the data string discussed under bullet point 4 of this report. LPT is has made follow ups with the outstanding and incorrect data string, unfortunately the database is locked by National Treasury for the second quarter for the purpose of publication. Therefore the data strings submission status will remain as is.

8 Assistance Provided

- LPT conducts monthly analysis of the municipal performance and provides feedback to municipalities on revenue, grant management, creditor and debtor management, asset management, cash flow and mSCOA issues. Municipalities that do not submit timely or submit incomplete information are issued with non-compliance letters.
- LPT participates in grant management meetings that are hosted by CoGHSTA aimed at assisting municipalities to ascertain challenges linked to slow spending of grants.
- LPT will monitor mSCOA implementation road maps to ensure that municipalities adhere to the targets outline in the plans. This will assist in ensuring that the implementation status on mSCOA is improved across the province.
- LPT will hold Mid-Year Budget Bilateral in February 2021 where the Budget performance of the municipalities assessment including non-financial reports will be done, feedback will be provided for consideration during the Adjustment Budget by the 28th February 2021.

9 Summary and Conclusion

The reporting on mSCOA remains relatively good however the credibility of the reported figures remains a challenge particularly with regard to cash flow and capital expenditure. Grant spending is slightly above 50 percent with expectations that it will improve by the end of the third quarter as municipalities will accelerate spending on conditional grant allocation, especially on MIG. This improvement is critical as it will not only improve service delivery but will also avoid the possibility of reverting funds back to the National Revenue Fund.

Appendices

Appendix - 1: Operating Revenue

	R thousands							Electricity Billed	Water Billed	Sanitation Billed	Refuse Removal Billed	Other Service Charges Billed		
	Blouberg	293,567	327,347	244,914	240,297	98%	25,841	15,818	3,146	461	837	4,506	799	188,890
	Capricorn	744,334	841,616	659,617	527,211	80%	-	-	7,915	716	-	12,918	1,810	503,851
	Lepelle-Nkumpi	390,754	443,320	332,490	353,258	106%	18,317	-	36,614	5,017	3,784	34,667	1,484	253,374
	Molemole	236,665	262,679	197,009	120,266	61%	33,690	4,586	437	273	1,484	9,248	43	70,506
	Polokwane	3,807,023	3,954,440	2,960,734	2,117,036	72%	264,475	589,355	123,051	65,150	73,823	132,440	13,872	854,869
Capricorn	Total	5,472,344	5,829,403	4,394,764	3,358,068	76%	342,324	609,759	171,164	71,618	79,928	193,779	18,008	1,871,489
	Ba-phalaborwa	583,963	617,049	470,913	295,287	63%	39,940	31,886	-	-	8,383	50,770	8,714	155,594
	Greater Giyani	539,471	539,471	404,603	267,316	66%	40,417	-	8	3	4,277	25,465	33,440	163,705
	Greater Letaba	415,796	475,280	356,460	312,908	88%	6,947	8,452	1,465	561	2,713	15,660	3,369	273,741
	Greater Tzaneen	1,316,707	1,377,049	1,037,569	1,108,505	107%	49,790	208,389	-	-	18,686	38,762	3,426	789,451
	Maruleng	280,558	309,331	229,700	190,875	83%	32,511	-	(503)	151	1,358	5,299	24,651	127,409
	Mopani	1,392,850	1,392,850	1,044,638	452,743	43%	-	-	-	-	-	1,382	66	451,295
Mopani	Total	4,529,344	4,711,030	3,543,883	2,627,634	74%	169,606	248,728	969	715	35,417	137,339	73,667	1,961,194
	Elias Mokoaledi	531,568	589,458	525,546	365,848	70%	22,922	51,717	-	-	5,170	13,257	754	272,028
	Ephraim Mogale	290,442	320,316	238,773	218,091	91%	23,402	39,624	-	-	3,116	4,392	693	146,865
	Tubatse Fetakgomo	678,206	782,929	587,197	422,638	72%	72,613	-	-	-	13,259	24,987	492	311,287
	Makhuduthamaga	382,388	438,936	329,202	1,105,963	336%	85,835	-	-	-	247	80,012	13,437	926,432
	Sekhukhune	1,040,056	1,170,255	877,691	886,580	101%	-	-	43,486	7,142	-	15,662	80,497	739,792
Sekhukhune	Total	2,922,659	3,301,893	2,558,408	2,999,120	117%	204,772	91,341	43,486	7,142	21,792	138,309	95,874	2,396,403
	Makhado	971,499	1,055,571	787,475	655,655	83%	51,177	192,042	-	35	7,549	24,303	5,327	375,221
	Musina	384,580	411,776	306,566	292,729	95%	14,461	69,927	18,191	616	6,764	24,188	3,267	155,315
	Collins Chabane	480,148	562,168	417,525	411,930	99%	21,015	-	-	-	2,485	3,190	4,389	380,851
	Thulamela	772,856	824,306	615,657	582,140	95%	53,734	-	-	-	15,310	39,871	7,565	465,660
	Vhembe	1,358,918	1,525,682	1,135,644	1,111,375	98%	-	-	141,198	13	-	11,495	2,134	956,535
Vhembe	Total	3,968,002	4,379,503	3,262,867	3,053,828	94%	140,387	261,970	159,388	665	32,109	103,048	22,681	2,333,581
	Bela bela	446,198	454,250	343,913	254,477	74%	46,591	66,870	21,919	12,203	5,749	14,454	1,184	85,507
	Lephalale	593,416	645,748	479,641	285,864	60%	60,564	83,599	20,249	5,668	9,333	29,659	1,661	75,131
	Modimolle-Mookgopong	728,863	748,301	560,072	280,542	50%	68,600	(3,922)	58,255	17,109	12,119	34,120	1,761	92,500
	Mogalakwena	1,080,306	1,152,301	864,226	684,557	79%	48,090	142,107	59,475	10,638	10,412	41,887	1,041	370,907
	Thabazimbi	417,105	417,105	312,829	149,494	48%	46,815	22,454	39,264	14,227	9,310	16,800	623	-
	Waterberg	150,268	157,332	117,411	111,768	95%	-	-	-	-	-	2,135	840	108,792
Waterberg	Total	3,416,157	3,575,038	2,678,092	1,766,701	66%	270,659	311,109	199,163	59,846	46,923	139,056	7,110	732,837
Source: NT Local Government Database														

Appendix - 2: Operating Expenditure

	R thousands	Original Budget	Adjusted Budget	YTD Budget	YTD Actual	% of Budget	Employee Related Cost	Councillor Remuneration	Debt Impairment	Depreciation and asset impairment	Bulk Purchases	Contracted Services	Other Materials	Transfers and Subsidies	Other Expenditure
	Blouberg	334,389	357,129	264,663	147,995	56%	66,096	9,609	-	-	21,091	30,338	939	-	19,922
	Capricorn	811,842	844,257	593,893	390,824	66%	185,116	8,720	-	48,662	40,058	67,245	2,738	-	38,285
	Lepelle-Nkumpi	309,806	335,852	251,886	139,426	55%	56,761	13,269	26	17,130	-	27,110	322	-	24,807
	Molemole	224,252	247,051	185,285	109,033	59%	50,477	7,556	-	8,135	8,164	18,213	1,663	-	14,826
	Polokwane	3,679,467	3,913,768	2,860,672	1,770,038	62%	556,864	22,591	11,202	-	563,767	457,105	29,079	3,206	126,224
Capricorn	Total	5,359,757	5,698,057	4,156,400	2,557,316	62%	915,315	61,744	11,228	73,928	633,079	600,012	34,742	3,206	224,063
	Ba-phalaborwa	581,253	590,203	442,331	179,869	41%	58,525	7,707	-	-	54,155	22,196	4,137	-	33,148
	Greater Giyani	458,119	458,119	343,589	173,456	50%	84,492	13,748	-	-	-	48,574	3,049	-	23,594
	Greater Letaba	360,353	418,851	314,138	158,387	50%	63,936	15,146	45	9	10,435	19,003	5,676	-	44,136
	Greater Tzaneen	1,287,355	1,266,636	948,152	542,157	57%	183,770	12,142	-	1	193,311	31,335	20,854	11,122	89,623
	Maruleng	228,715	233,338	173,386	48,205	28%	13,441	1,853	-	-	252	13,617	1,605	-	17,437
	Mopani	1,280,968	1,372,807	1,025,014	681,950	67%	233,232	26,470	-	-	151,955	64,382	154,642	-	51,269
Mopani	Total	4,196,762	4,339,937	3,246,611	1,784,024	55%	637,395	77,068	45	10	410,109	199,107	189,963	11,122	259,206
	Elias Mokoaledi	512,449	554,529	428,645	233,187	54%	91,818	14,178	1	-	47,177	43,798	7,557	1,904	26,754
	Ephraim Mogale	308,530	315,461	236,282	104,576	44%	41,547	6,679	-	-	22,639	17,695	835	-	15,181
	Tubatse Fetakgomo	607,085	663,435	497,574	386,373	78%	108,317	17,217	147,721	-	-	74,235	5,559	432	32,892
	Makhuduthamaga	317,980	337,828	253,371	636,970	251%	171,923	48,940	-	62,863	-	256,337	-	12,083	84,825
	Sekhukhune	938,629	1,040,579	780,433	558,289	72%	236,757	8,436	67	-	96,438	119,658	18,382	1,375	77,176
Sekhukhune	Total	2,684,672	2,911,831	2,196,305	1,919,395	87%	650,362	95,449	147,789	62,863	166,255	511,722	32,333	15,795	236,829
	Makhado	965,598	998,288	747,201	542,105	73%	162,877	15,270	16,954	73,772	149,233	57,610	11,807	-	54,583
	Musina	380,874	404,609	301,564	157,157	52%	86,320	6,101	-	-	31,379	15,813	1,294	3,070	13,181
	Collins Chabane	362,821	362,523	271,907	184,018	68%	66,767	16,587	-	15,358	-	47,560	3,352	3,972	30,422
	Thulamela	700,095	753,286	562,305	315,267	56%	165,816	17,934	27,614	31,599	-	33,287	2,078	5,525	31,414
	Vhembe	1,271,547	1,341,217	997,637	681,111	68%	368,482	7,710	-	112,846	14,421	101,062	2,250	-	74,339
Vhembe	Total	3,680,936	3,859,924	2,880,615	1,879,659	65%	850,262	63,602	44,568	233,575	195,033	255,332	20,782	12,567	203,938
	Bela bela	424,227	438,032	332,232	225,045	68%	83,808	4,398	16,821	-	67,817	22,175	4,954	-	25,073
	Lephalale	591,085	620,671	450,955	270,417	60%	101,266	6,764	-	43,415	72,206	19,964	1,726	261	24,815
	Modimolle-Mookgosi	726,353	735,402	553,079	189,255	34%	56,648	3,663	213	1,593	93,833	24,689	366	-	8,250
	Mogalakwena	1,031,344	1,077,357	808,012	506,007	63%	216,173	14,314	(6)	46,996	132,788	60,939	4,646	9	30,147
	Thabazimbi	412,030	409,030	306,022	170,040	56%	78,853	5,007	643	-	57,084	17,064	2,942	-	8,446
	Waterberg	184,926	187,423	140,293	91,232	65%	65,599	4,952	-	-	-	8,659	2,791	-	9,231
Waterberg	Total	3,369,965	3,467,916	2,590,594	1,451,996	56%	602,348	39,097	17,671	92,004	423,728	153,490	17,425	270	105,963
	Source: NT Local Government Database														

Appendix - 3: Capital Source of Finance

	R thousands	Original Budget	Adjusted Budget	Year To Date Budget	YTD Actual	% of Budget	External Loans	Asset Finance Reserve	Internally Generated funds	Public Contribution s/Donations	Transfers & Grants				Borrowing	Other
											National Grants	Provincial Grants	District Municipality Grants	Other Transfers & Grants		
	Blouberg	60,874	69,583	52,471	27,065	52%			3,599	-	23,467	-	-	-	-	-
	Capricorn	321,377	355,277	132,121	250,071	189%			59,669	-	175,459	-	-	-	-	-
	Lepelle-Nkumpi	134,668	161,188	120,891	20,659	17%			14,269	-	6,390	-	-	-	-	-
	Molemole	61,599	61,590	46,192	21,324	46%			3,611	-	17,713	-	-	-	-	-
	Polokwane	1,201,499	1,037,031	844,230	337,457	40%			21,343	-	301,286	-	-	-	14,828	-
Capricorn	Total	1,780,017	1,684,669	1,195,905	656,576	55%	-	-	102,491	-	524,315	-	-	-	14,828	-
	Ba-phalaborwa	45,963	37,963	28,472	16,022	56%			2,376	-	13,646	-	-	-	-	-
	Greater Giyani	138,638	138,638	103,978	47,167	45%			19,253	-	27,914	-	-	-	-	-
	Greater Letaba	119,672	120,658	90,493	51,363	57%			30,072	-	21,233	-	-	-	-	-
	Greater Tzaneen	130,973	145,883	108,108	55,987	52%			1,540	-	47,924	-	-	-	6,522	-
	Maruleng	171,219	170,758	128,230	58,609	46%			41,579	-	10,728	-	-	-	-	-
	Mopani	567,412	608,610	454,398	315,595	69%			3,796	-	311,043	-	-	-	-	-
Mopani	Total	1,173,878	1,222,510	913,680	544,743	60%	-	-	98,616	-	432,488	-	-	-	6,522	-
	Elias Mtscoledi	89,280	84,280	50,327	40,832	81%			8,483	-	32,349	-	-	-	-	-
	Ephraim Mogale	57,316	88,791	65,013	32,107	49%			4,238	-	27,869	-	-	-	-	-
	Tubatse Felakgomo	150,893	202,707	152,030	86,670	57%			61,117	-	25,554	-	-	-	-	-
	Makhuduthamaga	126,328	163,028	122,271	2,126,786	1739%			184,805	-	151,634	-	-	-	-	-
	Sekhukhune	466,886	524,655	393,491	214,708	55%			2,177	-	212,531	-	-	-	-	-
Sekhukhune	Total	890,702	1,063,461	783,132	2,501,103	319%	-	-	260,820	-	449,937	-	-	-	-	-
	Makhado	247,179	304,979	235,733	45,393	19%			20,432	-	23,840	-	-	-	-	-
	Musina	39,112	39,112	29,334	14,709	199%			-	-	12,380	-	-	2,325	-	-
	Collins Chabane	362,247	357,247	268,185	114,705	43%			65,498	-	44,495	-	-	-	-	-
	Thulamela	190,000	190,000	142,500	60,231	42%			28,524	-	31,698	-	-	-	-	-
	Vhembe	766,997	811,084	606,109	329,177	54%			28,944	-	298,197	-	-	-	-	-
Vhembe	Total	1,605,534	1,702,422	1,281,860	564,215	44%	-	-	143,399	-	410,610	-	-	2,325	-	-
	Bela bela	85,415	79,613	82,434	37,098	45%			1,290	-	35,808	-	-	-	-	-
	Lephalale	110,992	242,787	161,973	53,023	33%			10,437	-	42,586	-	-	-	-	-
	Modimolle-Mookgop	70,398	112,223	67,785	16,961	25%			-	-	16,656	-	-	-	-	-
	Mogalakwena	326,344	255,559	191,669	72,157	38%			-	-	72,157	-	-	-	-	-
	Thabazimbi	96,503	96,503	72,377	37,531	52%			-	-	37,531	-	-	-	-	-
	Waterberg	14,939	15,739	11,804	542	5%			542	-	-	-	-	-	-	-
Waterberg	Total	704,591	802,423	588,042	217,311	37%	-	-	12,269	-	204,738	-	-	-	-	-
Source: NT Local Government Database																

Appendix – 4: Capital Expenditure

		Original Budget	Adjusted Budget	Year To Date Budget	YTD Actual	% of Budget	Energy Sources	Water Management	Waste Water Management	Waste Management (Refuse)	Municipal governance and administration	Community and public safety	Economic and environmental services	Other
	R thousands													
	Blouberg	60,874	69,583	52,471	27,065	52%	9,129	-	-	28	1,906	-	16,003	-
	Capricorn	321,377	355,277	132,121	250,071	189%	-	236,023	-	-	13,338	710	-	-
	Lepelle-Nkumpi	134,668	161,188	120,891	20,659	17%	2,274	-	-	-	450	3,877	14,058	-
	Molemole	61,599	61,590	46,192	21,324	46%	3,394	-	17,404	-	526	-	-	-
	Polokwane	1,201,499	1,037,031	844,230	337,457	40%	12,292	95,180	103,072	1,873	4,677	16,879	103,483	-
Capricorn	Total	1,780,017	1,684,669	1,195,905	656,576	55%	27,089	331,203	120,476	1,902	20,898	21,465	133,543	-
	Ba-phalaborwa	45,963	37,963	28,472	16,022	56%	1,572	-	-	-	-	-	14,450	-
	Greater Giyani	138,638	138,638	103,978	47,167	45%	2,402	-	-	15,215	4,494	215	24,841	-
	Greater Letaba	119,672	120,658	90,493	51,363	57%	2,717	-	1,009	145	1,541	16,387	29,564	-
	Greater Tzaneen	130,973	145,883	108,108	55,987	52%	7,123	-	-	-	319	619	47,924	-
	Maruleng	171,219	170,758	128,230	58,609	46%	-	-	-	-	2,023	376	56,211	-
	Mopani	567,412	608,610	454,398	315,595	69%	-	272,014	-	-	3,796	-	39,785	-
Mopani	Total	1,173,878	1,222,510	913,680	544,743	60%	13,814	272,014	1,009	15,360	12,173	17,598	212,775	-
	Elias Motsoaledi	89,280	84,280	50,327	40,832	81%	7,065	-	-	-	469	29	33,269	-
	Ephraim Mogale	57,316	88,791	65,013	32,107	49%	1,734	-	-	-	139	-	30,234	-
	Tubatse Fetakgomo	150,893	202,707	152,030	86,670	57%	-	-	-	-	67,537	328	18,806	-
	Makhuduthamaga	126,328	163,028	122,271	2,126,786	1739%	14,261	-	-	56,060	1,803,945	17,730	234,790	-
	Sekhukhune	466,886	524,655	393,491	214,708	55%	-	214,708	-	-	-	-	-	-
Sekhukhune	Total	890,702	1,063,461	783,132	2,501,103	319%	23,060	214,708	-	56,060	1,872,090	18,087	317,098	-
	Makhado	247,179	304,979	235,733	45,393	19%	7,648	-	-	420	32,669	871	3,785	-
	Musina	39,112	39,112	29,334	14,709	50%	2,325	-	-	-	4	-	12,380	-
	Collins Chabane	362,247	357,247	268,185	114,705	43%	42,476	-	-	7,036	19,929	13,158	32,105	-
	Thulamela	190,000	190,000	142,500	60,231	42%	-	-	-	30	1,121	8,166	50,914	-
	Vhembe	766,997	811,084	606,109	329,177	54%	-	311,080	-	-	1,837	3,233	13,028	-
Vhembe	Total	1,605,534	1,702,422	1,281,860	564,215	44%	52,449	311,080	-	7,486	55,560	25,428	112,212	-
	Bela bela	85,415	79,613	82,434	37,098	45%	8,741	15,482	2,417	-	-	2,603	7,854	-
	Lephalale	110,992	242,787	161,973	53,023	33%	4,094	17,124	1,428	5,016	7,862	1,208	16,290	-
	Modimolle-Mookgopong	70,398	112,223	67,785	16,961	25%	7,313	559	1,254	4,954	-	202	2,679	-
	Mogalakwena	326,344	255,559	191,669	72,157	38%	9,240	52,645	1,310	-	-	96	8,866	-
	Thabazimbi	96,503	96,503	72,377	37,531	52%	4,178	17,058	5,272	-	-	273	1,618	9,131
	Waterberg	14,939	15,739	11,804	542	5%	-	-	-	-	-	23	519	-
Waterberg	Total	704,591	802,423	588,042	217,311	37%	33,567	102,868	11,682	9,970	7,862	4,406	37,826	9,131

Source: LG Database

Appendix – 5: Cash Flow

Appendix 5 : Cashflow R '000	Cashflow from Operating Activities									Cashflow from Investing Activities					Cashflow from Financing Activities					Net Increase/(Decrease) in Cash Held	Cash/Cash equivalents at year begin	Cash/Cash equivalents month/year end	Cash/Cash equivalents month/year end		
	Receipts			Payments			NET CASHFLOW FROM/(USED)	Receipts			Payments		NET CASHFLOW FROM/(USED)	Receipts			Payments		NET CASHFLOW FROM/(USED)						
	Property Rates	Service Charges	Other Revenue	Transfers & Subsidies - Operational	Transfers & Subsidies - Capital	Interest		Suppliers and Employees	Finance Charges	Transfers	Proceeds on disposal of PPE	Decrease/(Increase) in non-current debtors		Decrease/(Increase) in non-current receivables	Decrease/(Increase) in non-current investments	Capital Assets	Short term loans	Borrowing long term/refinancing						Increase (decrease) in consumer deposits	Repayment of borrowing
Blouberg	3,510	10,308	119,681	-	-	-	(92,051)	-	-	41,449	-	-	-	(24,492)	(24,492)	-	-	-	-	-	-	16,957	41,261	58,217	99,478
Capricorn	-	-	-	-	-	-	-	(126)	(126)	-	-	-	-	-	-	-	-	-	-	-	-	-	3	(111)	(109)
Lepelle-Nkumpi	6,124	16,326	458,767	-	-	3,061	(51,303)	-	-	432,975	-	-	-	(20,659)	(20,659)	-	(157)	-	(157)	-	(157)	412,159	12	412,164	412,176
Molemole	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(52)	-	(52)	-	(52)	24,594	22,959	47,553	
Polokwane	251,311	871,821	94,429	927,880	661,109	6,351	(222,258)	-	-	2,590,642	538	-	-	(427,197)	(426,658)	-	-	-	-	-	-	2,163,984	408,496	2,572,480	2,980,976
Total	260,945	898,455	672,877	927,880	661,109	9,413	(365,611)	-	(126)	3,064,940	538	-	-	(472,347)	(471,809)	-	-	(209)	-	(209)	2,592,922	474,366	3,065,709	3,540,074	
Ba-phalaborwa	37,102	92,669	11,566	8,034	21,299	-	-	-	-	170,669	-	-	-	(15,658)	(15,658)	6,800	-	(369)	-	6,431	161,442	-	161,442	161,442	
Greater Giyani	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Greater Letaba	128	2,405	4,361	149,925	26,860	-	6,297	-	-	189,976	-	-	-	(1,329)	(1,329)	-	(33)	-	(33)	-	188,614	-	229,248	229,248	
Greater Tzaneen	46,977	349,514	43,284	790,390	97,166	-	-	-	-	1,327,332	-	1,833	(64,179)	(62,346)	30,000	-	(2,291)	-	27,709	1,292,695	-	1,294,005	1,294,005		
Manleng	-	-	48,333	129,120	25,210	-	6,173	-	-	208,836	-	-	(63,097)	(63,097)	-	-	(5)	-	(5)	-	145,734	146,785	292,519	439,304	
Mopani	-	-	76	615,903	-	1,382	107,539	-	-	724,900	-	-	-	(250,049)	(250,049)	-	-	-	-	-	474,851	(76,437)	398,414	321,976	
Total	84,206	444,588	107,620	1,693,372	170,535	1,382	120,009	-	-	2,621,712	-	-	1,833	(394,312)	(392,479)	36,800	-	(2,697)	-	34,103	2,263,336	70,348	2,375,628	2,445,976	
Elias Mtshele	-	556	45	21,114	-	-	(166,165)	-	-	(144,450)	-	-	-	(42,594)	(42,594)	-	-	-	-	-	(187,044)	3,430	(183,615)	(180,185)	
Ephraim Mogale	20,466	46,647	1,490	152,281	32,750	-	177	-	-	253,811	-	-	-	(35,937)	(35,937)	-	(6)	-	(6)	217,868	182,964	400,832	583,796		
Tubatse Fetakgomo	172,833	3,344	88,481	-	49,297	1,467	(188,147)	-	-	127,274	-	-	-	(74,552)	(74,552)	-	-	-	-	52,723	190,376	266,086	456,461		
Makhuduhamaga	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sekhukhune	-	30,947	33,272	2,832	277,962	-	(780,539)	-	-	(435,526)	-	-	-	(141,047)	(141,047)	-	(360)	-	(360)	(576,933)	-	(396,257)	(396,257)		
Total	193,299	81,493	123,288	176,227	360,009	1,467	(1,134,675)	-	-	(198,891)	-	-	-	(294,130)	(294,130)	-	-	(366)	-	(366)	(493,387)	376,770	87,046	463,815	
Makhado	89,326	197,120	196,367	381,555	82,700	-	(258,261)	-	-	688,807	-	-	-	(61,361)	(61,361)	-	-	-	-	-	627,446	165,556	793,175	958,731	
Musina	-	39,033	57,967	3,156	-	-	(286)	-	-	99,870	1,155	-	-	(12,421)	(11,266)	-	-	-	-	-	88,604	26,609	115,213	141,822	
Collins Chabane	4,862	888	4	408,677	9,500	-	(90,884)	-	-	333,047	-	-	-	(134,641)	(134,641)	-	-	-	-	-	198,406	496,423	694,829	1,191,253	
Thulamela	164	-	20,709	-	-	-	(59,959)	-	-	(39,086)	-	-	-	(65,421)	(65,421)	-	-	-	-	-	(104,506)	647,397	542,890	1,190,287	
Vhembe	-	60	145	1,371,030	10,000	-	(267,624)	-	-	1,113,610	-	-	-	(393,192)	(393,192)	-	-	-	-	-	720,419	(3,874,895)	(3,154,477)	(7,029,372)	
Total	94,352	237,101	275,191	2,164,418	102,200	-	(677,014)	-	-	2,196,249	1,155	-	-	(667,036)	(665,880)	-	-	-	-	-	1,530,368	(2,538,910)	(1,008,369)	(3,547,279)	
Bela bela	32,975	63,366	22,132	109,405	35,075	-	(32,290)	-	-	230,663	-	-	-	(40,719)	(40,719)	-	-	-	-	-	189,943	8,856	198,799	207,654	
Lephalale	7,588	22,488	1,553	151,207	32,449	-	-	-	-	215,286	-	-	-	(62,470)	(62,470)	-	(993)	-	(993)	-	151,823	-	151,823	151,823	
Modimolle-Mookgopong	26,437	16,674	138,531	91,777	-	634	68,267	-	-	342,320	-	-	-	(20,479)	(20,479)	-	-	-	-	-	321,841	(105,359)	216,482	111,123	
Mogalakwena	29,685	172,094	200,121	-	101,134	-	(231,662)	-	-	271,372	-	3,792	(68,599)	(54,807)	-	-	(1,856)	-	(1,856)	-	214,709	-	250,622	250,622	
Thabazimbi	37,555	64,691	9,987	5,517	-	-	(24,962)	-	-	92,788	-	-	-	(49,177)	(49,177)	-	-	-	-	-	43,611	9,889	53,499	63,388	
Waterberg	-	-	917	111,759	-	-	(97,084)	-	-	15,592	-	-	-	(624)	(624)	-	-	-	-	-	14,968	71,251	86,238	157,489	
Total	134,241	339,313	373,242	469,664	168,658	634	(317,731)	-	-	1,168,021	-	-	3,792	(232,067)	(228,276)	-	-	(2,849)	-	(2,849)	936,896	(15,364)	957,463	942,099	
Government Database	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	767,043	2,000,951	1,552,218	5,431,562	1,462,510	12,896	(2,375,022)	-	(126)	8,852,031	1,694	-	3,792	1,833	(2,059,893)	(2,052,574)	36,800	-	(6,121)	-	30,679	6,830,135	(1,632,791)	5,477,476	3,844,684

Source: LG Database

Appendix – 6: Debtors Age Analysis

	R '000	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total
		Total	%	Total	%	Total	%	Total	%	Total
Capricorn	Blouberg	-	0%	-	0%	-	0%	-	0%	-
	Capricorn	-	0%	-	0%	-	0%	-	0%	-
	Lepelle-Nkumpi	31,057	4%	14,500	2%	13,831	2%	683,711	92%	743,098
	Molemole	3,677	3%	10,344	9%	2,883	3%	97,472	85%	114,375
	Polokwane	149,139	9%	62,071	4%	51,882	3%	1,335,170	84%	1,598,262
	Total	183,873	7%	86,916	4%	68,595	3%	2,116,353	86%	2,455,736
Mopani	Ba-Phalaborwa	21,310	3%	15,844	2%	13,147	2%	589,692	92%	639,993
	Greater Giyani	9,924	2%	10,292	2%	10,548	2%	418,279	93%	449,042
	Greater Letaba	-	0%	-	0%	-	0%	-	0%	-
	Greater Tzaneen	508	0%	48,074	7%	26,445	4%	643,019	90%	718,046
	Maruleng	-	0%	-	0%	-	0%	-	0%	-
	Mopani	-	0%	-	0%	-	0%	-	0%	-
	Total	31,742	2%	74,209	4%	50,139	3%	1,650,990	91%	1,807,081
Sekhukhune	Elias Motsoaledi	-	0%	-	0%	-	0%	-	0%	-
	Ephraim Mogale	-	0%	-	0%	-	0%	-	0%	-
	Tubatse Fetakgomo	12,872	3%	8,373	2%	7,740	2%	397,775	93%	426,759
	Makhuduthamaga	6,795	1%	6,547	1%	6,177	1%	474,931	96%	494,450
	Sekhukhune	17,212	6%	6,370	2%	6,670	2%	236,959	89%	267,211
	Total	36,878	3%	21,290	2%	20,588	2%	1,109,664	93%	1,188,421
Vhembe	Makhado	33,099	10%	14,170	4%	11,455	3%	279,321	83%	338,045
	Musina	12,097	11%	6,355	6%	4,443	4%	86,368	79%	109,263
	Collins Chabane	3,448	2%	3,252	2%	2,929	1%	192,260	95%	201,889
	Thulamela	12,662	2%	11,731	2%	10,183	2%	620,141	95%	654,717
	Vhembe	32,354	7%	31,604	6%	27,601	6%	404,942	82%	496,501
	Total	93,660	5%	67,112	4%	56,611	3%	1,583,033	88%	1,800,415
Waterberg	Bela Bela	19,190	8%	9,027	4%	8,083	3%	210,056	85%	246,356
	Lephalale	25	0%	32,200	8%	18,619	5%	337,850	87%	388,693
	Modimolle	-	0%	-	0%	-	0%	-	0%	-
	Mogalakwena	47,250	4%	34,585	3%	28,630	3%	976,597	90%	1,087,061
	Thabazimbi	-	0%	-	0%	-	0%	-	0%	-
	Waterberg	61	56%	41	37%	2	2%	6	5%	110
	Total	66,527	4%	75,853	4%	55,333	3%	1,524,509	89%	1,722,221
Source: NT Local										

Appendix – 7: Debtors by Customer Group

	R '000	Government		Business		Households		Other		Total
		Total	%	Total	%	Total	%	Total	%	
Capricorn	Blouberg	-	0%	-	0%	-	0%	-	0%	-
	Capricorn	-	0%	-	0%	-	0%	-	0%	-
	Lepelle-Nkumpi	77,090	10%	608,496	82%	57,512	8%	-	0%	743,098
	Molemole	114,375	100%	-	0%	-	0%	-	0%	114,375
	Polokwane	86,716	5%	349,735	22%	1,161,811	73%	-	0%	1,598,262
	Total	278,182	11%	958,231	39%	1,219,323	50%	0	0%	2,455,736
Mopani	Ba-Phalaborwa	139,972	22%	47,832	7%	452,189	71%	-	0%	639,993
	Greater Giyani	93,832	21%	53,574	12%	301,625	67%	11	0%	449,042
	Greater Letaba	-	0%	-	0%	-	0%	-	0%	0
	Greater Tzaneen	25,815	4%	228,797	32%	463,433	65%	-	0%	718,046
	Maruleng	-	0%	-	0%	-	0%	-	0%	0
	Mopani	-	0%	-	0%	-	0%	-	0%	-
Total	259,619	14%	330,203	18%	1,217,247	67%	11	0%	1,807,081	
Sekhukhune	Elias Motsoaledi	-	0%	-	0%	-	0%	-	0%	0
	Ephraim Mogale	-	0%	-	0%	-	0%	-	0%	0
	Tubatse Fetakgomo	-	0%	-	0%	426,759	100%	-	0%	426,759
	Makhuduthamaga	461,228	93%	51,893	10%	270	0%	-18,940	-4%	494,450
	Sekhukhune	13,254	5%	27,557	10%	226,399	85%	-	0%	267,211
	Total	474,482	40%	79,450	7%	653,428	55%	-18,940	-2%	1,188,421
Vhembe	Makhado	57,308	17%	125,558	37%	155,178	46%	-	0%	338,045
	Musina	27,648	25%	26,724	24%	54,892	50%	-	0%	109,263
	Collins Chabane	52,850	26%	17,863	9%	131,176	65%	-	0%	201,888.65
	Thulamela	48,411	7%	109,861	17%	496,445	76%	-	0%	654,717
	Vhembe	44,107	9%	67,354	14%	385,040	78%	-	0%	496,500.88
	Total	230,324	13%	347,360	19%	1,222,731	68%	0	0%	1,800,415
Waterberg	Bela Bela	19,224	8%	89,130	36%	138,002	56%	-	0%	246,356
	Lephalale	50,781	13%	11,326	3%	326,586	84%	-	0%	388,693
	Modimolle-Mookgoppe	-	0%	-	0%	-	0%	-	0%	-
	Mogalakwena	1,087,061	100%	-	0%	-	0%	-	0%	1,087,061
	Thabazimbi	-	0%	-	0%	-	0%	-	0%	0
	Waterberg	-	0%	110	100%	-	0%	-	0%	110
Total	1,157,067	67%	100,566	6%	464,588	27%	0	0%	1,722,221	

Source: LG Database

Appendix – 8: Creditors Age Analysis

	R '000	0 - 30 Days		Days		Days		Days		Total
		Total	%	Total	%	Total	%	Total	%	Total
Capricorn	Blouberg	-	0%	-	0%	-	0%	-	0%	-
	Capricorn	10,116	68%	143	1%	4,446	30%	111	1%	14,815
	Lepelle-Nkumpi	321	83%	9	2%	39	10%	17	4%	386
	Molemole	-	0%	244	59%	-	0%	170	41%	414
	Polokwane	92,459	100%	-	0%	-	0%	-	0%	92,459
	Total	102,897	95%	395	0%	4,485	4%	298	0%	108,075
Mopani	Ba-Phalaborwa	264	13%	59	3%	-	0%	1,697	84%	2,020
	Greater Giyani	-	0%	-	0%	(26)	-4%	657	104%	630
	Greater Letaba	11,668	96%	507	4%	-	0%	-	0%	12,175
	Greater Tzaneen	327	15%	998	44%	251	11%	676	30%	2,253
	Maruleng	-	0%	-	0%	-	0%	-	0%	-
	Mopani	-	0%	-	0%	-	0%	-	0%	-
Total	12,259	72%	1,565	9%	225	1%	3,030	18%	17,079	
Sekhukhune	Elias Motsoaledi	381	100%	-	0%	-	0%	-	0%	381
	Ephraim Mogale	-	0%	-	0%	-	0%	-	0%	-
	Tubatse Fetakgomo	733	49%	345	23%	10	1%	408	27%	1,497
	Makhuduthamaga	295	60%	198	40%	-	0%	-	0%	493
	Sekhukhune	12,676	10%	13,342	11%	94,964	78%	-	0%	120,982
	Total	14,085	11%	13,885	11%	94,974	77%	408	0%	123,353
Vhembe	Makhado	450	142%	-	0%	-	0%	(134)	-42%	316
	Musina	71	14%	-	0%	-	0%	433	86%	504
	Collins Chabane	9,192	67%	83	1%	13	0%	4,504	33%	13,792
	Thulamela	-	0%	-	0%	-	0%	-	0%	-
	Vhembe	31,179	74%	2,063	5%	-	0%	9,128	22%	42,369
	Total	40,892	72%	2,146	4%	13	0%	13,931	24%	56,981
Waterberg	Bela Bela	14,735	18%	10,154	12%	1,153	1%	57,002	69%	83,045
	Lephalale	1,908	22%	192	2%	6	0%	6,588	76%	8,694
	Modimolle-Mookgopong	37,014	5%	28,030	3%	19,092	2%	733,626	90%	817,762
	Mogalakwena	26,511	100%	-	0%	-	0%	-	0%	26,511
	Thabazimbi	-	0%	-	0%	-	0%	-	0%	-
	Waterberg	-	0%	-	0%	-	0%	70	100%	70
Total	80,168	9%	38,376	4%	20,251	2%	797,286	85%	936,081	

Source: NT Local Government Database

Appendix – 9: Creditors by Customer Group

	R '000	Electricity		Water		PAYE		VAT		Pensio		Repay		Credito		Audito		Other		Total
		Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	
	Blouberg	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0.00%	-	0%	-
	Capricorn	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	10,708	72%	-	0.00%	4,107	28%	14,815
	Lepelle-Nkumpi	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	386	100%	-	0.00%	-	0%	386
	Molemole	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0.00%	414	100%	414
	Polokwane	158	0%	-	0%	-	0%	-	0%	-	0%	-	0%	89,001	96%	3,300	3.57%	-	0%	92,459
Capricorn	Total	158	0%	-	0%	-	0%	-	0%	-	0%	-	0%	100,096	93%	3,300	3.05%	4,521	4%	108,075
	Ba-Phalaborwa	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	2,033	101%	-	0.00%	(13)	-1%	2,020
	Greater Giyani	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	630	100%	-	0.00%	-	0%	630
	Greater Letaba	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	12,175	100%	-	0.00%	-	0%	12,175
	Greater Tzaneen	-	0%	33	1%	-	0%	-	0%	-	0%	-	0%	1,626	72%	-	0.00%	594	26%	2,253
	Maruleng	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0.00%	-	0%	-
	Mopani	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0.00%	-	0%	-
Mopani	Total	-	0%	33	0%	-	0%	-	0%	-	0%	-	0%	16,465	96%	-	0.00%	580	3%	17,079
	Elias Motsoaledi	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	381	100%	-	0.00%	-	0%	381
	Ephraim Mogale	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0.00%	-	0%	-
	Tubatse Fetakgomo	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	1,497	100%	-	0.00%	-	0%	1,497
	Makhuduthamaga	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	424	86%	-	0.00%	69	14%	493
	Sekhukhune	-	0%	70,248	58%	-	0%	-	0%	-	0%	-	0%	50,734	42%	-	0.00%	-	0%	120,982
Sekhukhune	Total	-	0%	70,248	57%	-	0%	-	0%	-	0%	-	0%	53,036	43%	-	0.00%	69	0%	123,353
	Makhado	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	448	142%	-	0.00%	(132)	-42%	316
	Musina	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	504	100%	-	0.00%	-	0%	504
	Collins Chabane	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	13,792	100%	-	0.00%	-	0%	13,792
	Thulamela	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0.00%	-	0%	-
	Vhembe	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	42,369	100%	-	0.00%	-	0%	42,369
Vhembe	Total	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	57,113	100%	-	0.00%	(132)	0%	56,981
	Bela Bela	22,882	28%	6,379	8%	-	0%	-	0%	-	0%	-	0%	53,518	64%	265	0.32%	-	0%	83,045
	Lephalale	(412)	-5%	734	8%	-	0%	-	0%	-	0%	-	0%	1,620	19%	-	0.00%	6,751	78%	8,694
	Modimolle-Mookgopong	426,696	52%	26,017	3%	-	0%	-	0%	-	0%	-	0%	365,052	45%	-	0.00%	(4)	0%	817,762
	Mogalakwena	17,987	68%	-	0%	5,961	22%	-	0%	-	0%	-	0%	-	0%	2,562	9.67%	-	0%	26,511
	Thabazimbi	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0.00%	-	0%	-
	Waterberg	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	70	100%	-	0.00%	-	0%	70
Waterberg	Total	467,154	50%	33,131	4%	5,961	1%	-	0%	-	0%	-	0%	420,262	45%	2,827	0.30%	6,747	1%	936,081
Source: NT Local Government Database																				

Source: LG Database

Appendix – 10 – Conditional Grants

R '000	Public Works Progr Integrated Grant		Finance Management Grant		Integr Nat Electrification Progr Grant		Municipal Infrastructure Grant		Services Infrastructure Grant		Efficiency and Demand Mng Grant		Local Government Equitable Share		Transport Network Grant		Other		Total		% spend
	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	Allocation	Spend Municipality	
Blouberg	1,547,000	928,765	2,500,000	1,424,375	6,000,000	8,076,270	44,066,000	16,561,959	-	-	-	-	235,078,000	103,105,164	-	-	4,652,000	41,035,549	293,843,000	171,132,082	58%
Capricorn	3,789,000	1,633,212	1,000,000	400,218	-	-	229,161,000	130,165,561	80,000,000	49,347,396	-	-	691,281,000	378,921,564	-	-	2,896,000	167,766,246	1,008,127,000	728,234,197	72%
Lepelle-Nkumpi	1,906,000	334,352	2,000,000	1,002,419	-	-	53,720,000	7,488,563	-	-	-	-	318,513,000	136,126,442	-	-	5,231,000	73,989,584	381,370,000	218,941,360	57%
Molomole	1,304,000	641,757	2,400,000	1,364,872	9,000,000	1,509,555	34,933,000	16,203,121	-	-	2,700,000	-	179,962,000	61,312,461	-	-	1,652,000	24,968,420	231,951,000	106,000,196	46%
Polokwane	9,527,000	9,733,533	2,500,000	1,311,852	39,000,000	5,781,744	-	-	50,000,000	4,886,409	-	-	1,181,769,000	689,944,389	159,246,000	50,228,387	693,787,000	497,968,672	2,135,829,000	1,259,854,986	59%
Total	18,073,000	13,271,619	10,400	5,504	54,000	15,368	361,880	170,419	130,000	54,234	2,700	-	2,606,603	1,369,410	159,246	50,228	708,218	805,728	4,051,120,000	2,484,162,811	61%
Ba-phalaborwa	1,099,000	292,370	3,000,000	1,691,351	5,000,000	1,571,544	31,831,000	12,633,468	-	-	4,500,000	257,977	195,936,000	71,193,858	-	-	10,508,000	19,140,535	251,674,000	106,781,103	42%
Giyani	3,409,000	2,265,607	2,000,000	1,011,312	11,724,000	7,077,567	60,286,000	29,196,769	-	-	-	-	369,568,000	131,262,671	-	-	8,813,000	27,868,503	455,800,000	198,682,429	44%
Lelaba	1,467,000	671,760	2,000,000	555,484	7,000,000	2,165,251	57,229,000	19,067,612	-	-	3,600,000	579,259	357,820,000	121,322,440	-	-	18,799,000	29,146,948	447,915,000	173,508,754	39%
Tzaneen	7,134,000	43,540	2,000,000	818,736	10,000,000	2,090,942	93,619,000	48,997,796	-	-	-	-	506,276,000	533,900,306	-	-	3,402,000	59,001,326	622,431,000	644,852,646	104%
Maruleng	1,000,000	394,956	1,900,000	110,835	-	-	26,655,000	12,310,603	-	-	-	-	159,491,000	18,310,644	-	-	5,019,000	10,686,294	194,095,000	41,813,332	22%
Mopani	9,433,000	199,200	2,700,000	189,547	-	-	451,056,000	231,170,736	45,000,000	293,889,391	-	-	1,122,659,000	519,048,268	-	-	559,067,000	119,631,580	2,189,915,000	1,164,128,722	53%
Total	23,542,000	3,867,433	13,600	4,377	33,724	12,905	720,676	353,377	45,000	293,889	8,100	837	2,711,750	1,395,038	-	-	605,608	265,475	4,162,000,000	2,329,766,986	56%
Elias Mootsele	1,681,000	829,789	2,600,000	313,363	15,000,000	8,054,917	54,561,000	28,644,798	-	-	-	-	347,525,000	170,466,319	-	-	2,937,000	71,056,500	424,304,000	279,365,696	66%
Ephraim Mogale	1,165,000	589,810	3,000,000	1,503,427	-	-	33,238,000	31,786,298	-	-	3,600,000	2,856,538	185,729,000	47,410,773	-	-	11,293,000	17,025,661	238,025,000	101,172,507	43%
Tubatse Feteke	1,052,000	689,610	2,500,000	1,736,789	-	-	83,797,000	27,634,892	-	-	-	-	557,280,000	373,836,859	-	-	60,630,000	74,447,060	705,259,000	478,345,210	68%
Makhuduthama	1,168,000	4,483,065	1,700,000	4,459,046	-	73,701,318	61,710,000	82,407,002	-	-	-	-	341,931,000	498,738,822	-	-	11,352,000	16,227,300	417,861,000	680,016,553	163%
Sekhukhune District	6,294,000	-	2,200,000	642,788	-	-	471,805,000	257,761,131	53,471,000	16,280,600	-	-	942,825,000	494,020,437	-	-	194,081,000	195,627,215	1,670,676,000	964,332,171	58%
Total	11,360,000	6,592,274	12,000	8,655	15,000	81,756	705,111	428,234	53,471	16,281	3,600	2,857	2,375,290	1,584,473	-	-	280,293	374,384	3,456,125,000	2,503,232,127	72%
Makhado	2,270,000	4,056	1,700,000	477,208	10,340,000	3,811,285	88,968,000	60,133,831	-	-	-	-	469,106,000	48,219,360	-	-	9,270,000	43,557,848	581,654,000	156,195,476	27%
Musina	1,639,000	-	2,700,000	-	-	-	58,843,000	13,613,520	-	-	-	-	190,966,000	67,182,451	-	-	8,086,000	28,157,700	262,234,000	108,953,671	42%
Collins	1,161,000	829,926	2,300,000	1,003,780	10,660,000	339,608	81,475,000	51,859,113	-	-	-	-	477,995,000	170,767,985	-	-	26,974,000	50,913,600	600,565,000	275,714,012	46%
Chabane	7,118,000	-	1,700,000	-	12,000,000	1,397,600	98,702,000	36,158,717	-	-	-	-	577,496,000	195,035,906	-	-	40,919,000	34,250,405	737,935,000	266,842,628	36%
Vhembe	1,081,000	592,476	2,700,000	1,887,116	-	-	511,093,000	291,716,456	52,750,000	15,956,150	-	-	1,227,876,000	554,870,138	-	-	94,756,000	291,259,592	1,890,256,000	1,156,281,528	61%
Total	13,269,000	1,418,346	11,100	3,368	33,000	5,548	839,081	453,482	52,750	15,956	-	-	2,943,439	1,036,076	-	-	180,005	448,139	4,072,644,000	1,963,987,715	48%
Bela-bela	1,060,000	36,369	1,700,000	310,625	8,548,000	6,621,640	25,780,000	11,163,983	37,475,000	20,400,419	3,600,000	2,764,670	115,041,000	47,812,167	-	-	1,296,000	11,336,170	194,480,000	100,446,043	52%
Lephalale	1,568,000	-	1,700,000	1,113,341	7,000,000	3,337,067	43,364,000	39,408,036	35,200,000	1,083,072	-	-	191,190,000	84,873,130	-	-	22,545,000	43,359,026	302,567,000	173,173,672	57%
Mogalakwena	1,259,000	-	1,700,000	1,090,529	12,000,000	9,239,556	155,326,000	31,970,547	43,850,000	8,490,793	-	-	554,269,000	203,970,133	-	-	69,048,000	63,828,799	837,452,000	318,590,357	38%
Modimole-Mook	1,233,000	402,061	2,500,000	-	24,000,000	7,890,829	38,317,000	10,408,487	-	1,734,960	-	-	136,622,000	23,488,841	-	-	42,709,000	8,328,728	245,381,000	52,253,906	21%
Thabazimbi	1,000,000	24,924	3,000,000	-	5,180,000	3,640,559	44,024,000	23,220,811	-	21,538,011	-	-	116,315,000	84,388,809	-	-	48,827,000	43,748,022	218,346,000	176,951,136	81%
Waterberg district	1,000,000	22,659	1,000,000	-	-	-	-	-	-	-	-	-	142,124,000	90,981,683	-	-	3,943,000	13,176,703	148,067,000	104,181,045	70%
Total	7,120,000	486,013	11,600	2,514	56,728	30,730	306,791	116,172	116,525	53,647	3,600	2,765	1,255,561	535,515	-	-	188,368	183,777	1,946,293,000	925,606,159	48%

Source: NT Local Government Database