



**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

**PROVINCIAL TREASURY**

Enq: Mulenga S  
Date: 27 January 2009

Director-General: National Treasury  
Private Bag x115  
**PRETORIA**  
0001

**Fax: (012) 315 5230**

Attention: Mr. J. Hattingh

**MUNICIPAL FINANCE MANAGEMENT ACT (ACT 56 OF 2003)(MFMA): IN-YEAR-MONITORING: SECTION 71 (6) REPORTING: DECEMBER (2<sup>nd</sup> QUARTER) 2009**

1. In terms of section 71(6) of the MFMA the Provincial Treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.
2. Attached please find the Limpopo Provincial Treasury's MFMA section 71(6) consolidated statements and a related narrative report as at 31<sup>st</sup> December 2009.

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**HEAD OF DEPARTMENT**  
**PROVINCIAL TREASURY**

**DATE:** 27/01/2010

**LIMPOPO PROVINCIAL TREASURY**  
**Municipal Budget Performance**  
**Consolidated Statement as at 31<sup>st</sup> December (2<sup>nd</sup> Quarter) 2009**

## **INTRODUCTION**

This consolidated budget statement and report covers the financial performance of municipalities for the period ending on 31<sup>st</sup> December (2<sup>nd</sup> Quarter) 2009.

The consolidated statement assesses the in-year financial performance of municipalities' against their budgeted revenue and expenditure. The assessment of the in-year financial performance will be based on the s71 returns which include capital and operating budgets as well as debtors, creditors and cash flow that were submitted by the municipalities. The focus of this assessment is on the credible implementation of municipal budgets in relation to the IDP and SDBIP.

## **LEGISLATIVE FRAMEWORK**

In terms of section 71(1) of the Municipal Finance Management Act (MFMA) No. 56 of 2003, the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasuries a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- a) Actual revenue, per revenue source;
- b) Actual borrowings;
- c) Actual operating expenditure, per vote;
- d) Actual capital expenditure, per vote;
- e) The amount of any allocation received;
- f) Actual expenditure on those allocations, excluding expenditure on –
  - i. Its share of the local government equitable share; and
  - ii. Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph and;
- g) When necessary, an explanation of –
  - iii. Any material variance from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
  - iv. Any material variance from the service delivery and budget implementation plan; and
  - v. Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remains within the municipality's approved budget.

Furthermore, according to section 71(6) the Provincial Treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the Municipalities' budget.

## **OVERVIEW OF THE PROVINCE**

### **COMPLIANCE WITH SUBMISSION OF RETURNS, AND TO TIMEFRAMES**

The table below shows the reporting format for the submission of the s71 financial reports. The Act requires the report to be submitted in both electronic and hard copy on the 10<sup>th</sup> working day after close of the relevant month. It can be noticed from the table that three municipalities submitted a hard copy. This trend is set to improve after the budget workshops where the importance of a hard copy was emphasized.

Documents sent indicates that municipalities are required to send a minimum of five returns being the CAA- capital expenditure, OSA- operating revenue and expenditure, AD- debtors age list, AC- Creditors age list and CFA- cash flow. The table clearly indicates the returns submitted by each municipality.

There was a very big improvement in the submission of the December s71 reports. All 30 municipalities submitted the full report except three municipalities Capricorn, Aganang and Maruleng submitted after the 22 January 2010.

## Summary of returns submitted (2<sup>nd</sup> Quarter) 31<sup>st</sup> December 2009.

Municipality	Oct-09				Nov-09				Dec-09			
	Old/new version	Date of submission		Documents sent	Old/new version	Date of submission		Documents sent	Old/new version	Date of submission		Documents sent
		Electronic	Hard copy			Electronic	Hard copy			Electronic	Hard copy	
DC 35 - CAPRICORN	New	20.11.09	19.11.09	OSA,CFA,AC,AD,CAA								
LIM 351 - BLOUBERG	New	13.11.09		OSA,CFA,AC,AD,CAA	New	14.12.09		OSA,CAA,CFA,AD,AC	New	13.01.10		OSA,CAA,CFA,AC,AD
LIM 352 - AGANANG	New	13.11.09		OSA,CFA,AC,AD,CAA								
LIM 353 - MOLEMOLE	New	11.11.09	11.11.09	OSA,CFA,AC,AD,CAA	New	10.12.09		OSA,CAA,CFA,AC,AD	New	15.01.10		OSA,CAA,CFA,AC,AD
LIM 354 - POLOKWANE	New	06.11.09		OSA,CFA,AC,AD,CAA	New	8.12.09		AD,CAA,CFA	New	12.01.10		OSA,CAA,CFA,AD,AC
LIM 355 - LEPELLE-NKUMPI	New	11.11.09		OSA,CFA,AC,AD,CAA	New	8.12.09		AD,CAA,CFA,OSA,AC	New	12.01.10		OSA,CAA,CFA,AD,AC
DC - 47 - GREATER SEKHUKHUNE	New	17.11.09		CAA,CFA,AD,AC					New	15.01.10		OSA,CAA,CFA,AD
LIM 471 - MARBLE HALL	New	10.11.09		CAA,CFA,AD,AC,OSA	New	09.12.09		AC,AD,CAA,CFA,OSA	New	8.01.10		CAA,AC,AD,OSA,CFA
LIM 472 - ELIAS MOTSOLEDI	New	13.11.09		CAA,AD,AC,OSA,CFA	New	09.12.09		AC,AD,CAA,CFA,OSA	New	14.01.10		OSA,CAA,CFA,AC,AD
LIM 473 - MAKHUDUTHAMAGA	New	18.11.09		OSA,CFA,AD,CAA	New	09.12.09		AC,AD,CAA,CFA,OSA	New	15.01.10		OSA,CAA,CFA,AD
LIM 474 - FETAKGOMO	New	10.11.09		OSA,CFA,CAA,AD,AC	New	9.12.09		OSA,CAA,CFA,AD,AC	New	14.01.10		OSA,CAA,CFA,AD,AC
LIM 475 - GREATER TUBATSE	New	17.11.09	23.11.09	AC,AD,CAA,CFA,OSA	New	8.12.09		OSA,CAA,CFA,AD,AC	New	11.01.10		CFA,CAA,OSA,AC
DC 33 - MOPANI	New	10.11.09		OSA,CAA,CFA,AD,AC	New	8.12.09		OSA,CAA,CFA,AD,AC	New	11.01.10		OSA,CAA,CFA,AD,AC
LIM 331 - GREATER GIYANI	New	09.12.09		OSA,CAA,CFA,AD,AC	New	9.12.09		OSA,CAA,CFA,AD,AC	New	18.01.10		OSA,CAA,CFA,AC,AD
LIM 332 - GREATER LETABA	New	06.11.09		OSA,CAA,CFA,AD,AC	New	17.12.09		OSA,CAA,CFA,AD,AC	New	12.01.10		OSA,CAA,CFA,AC,AD
LIM 333 - GREATER TZANEEN	New	13.11.09		OSA,CAA,CFA,AD,AC	New	09.12.09		AC,CAA,CFA,OSA,AD	New	15.01.10		OSA,CAA,CFA,AC,AD
LIM 334 - BA-PHALABORWA	New	13.11.09		OSA,CAA,CFA,AD,AC	New	09.12.09		OSA,CAA,CFA,AD,AC	New	14.01.10		OSA,CAA,CFA,AD,AC
LIM 335 - MARULENG	New	23/11/09		AC,AD,CAA,CFA,OSA	New	8.12.09		OSA,CAA,CFA,AD,AC				
DC 36 - WATERBERG	New	13.11.09		OSA,CAA,CFA,AD,AC	New	8.12.09		OSA,CAA,CFA,AD,AC	New	14.01.10		OSA,CAA,CFA,AC,AD
LIM 361 - THABAZIMBI	New	24/11/09		CAA,AD,AC	New	4.01.2010		OSA,CAA,CFA,AD,AC	New	18.01.10		OSA,CAA,CFA,AC,AD
LIM 362 - LEPHALE	New	13.11.09		OSA,CFA,CAA,AD,AC	New	09.12.09		OSA,CAA,CFA,AD,AC	New	13.01.10		OSA,CAA,CFA,AC,AD
LIM 364 - MOOKGOPONG	New	13.11.09		OSA,CFA,CAA,AD,AC	New	09.12.09		OSA,CAA,CFA,AD,AC	New	15.01.10		OSA,CAA,CFA,AC,AD
LIM 365 - MODIMOLLE	New	13.11.09		OSA,CFA,CAA,AD,AC	New	8.12.09		OSA,CAA,CFA,AD,AC	New	20.01.10		OSA,CAA,CFA,AC,AD
LIM 366 - BELA-BELA	New	16.11.09		OSA,CFA,CAA,AD,AC	New	14.12.09		OSA,CAA,CFA,AD,AC	New	15.01.10		OSA,CAA,CFA,AC,AD
LIM 367 - MOGALAKWENA	New	21.12.09		AC,AD,CAA,OSA	New	09.12.09		OSA,AD,AC,CAA	New	15.01.10		OSA,CAA,AD,AC
DC 34 - VHEMBE	New	10.11.09		OSA,CFA,CAA,AC,AD	New	10.12.09		OSA,CAA,CFA,AD,AC	New	13.01.10		OSA,CAA,CFA,AD,AC
LIM 341 - MUSINA	New	13.11.09		OSA,CFA,CAA,AC,AD	New	09.12.09		OSA,CAA,CFA,AD,AC	New	15.01.10		OSA,CAA,CFA,AD,AC
LIM 342 - MUTALE	New	11.11.09		AD,CFA,CAA,OSA	New	11.12.09		OSA,CAA,CFA,AD		22.01.10		OSA,CAA,CFA,AD,AC
LIM 343 - THULAMELA	New	13.11.09		AD,CFA,CAA,OSA,AC	New	14.12.09		OSA,CAA,CFA,AC,AD	New	15.01.10		OSA,CAA,CFA,AD,AC
LIM 344 - MAKHADO	New	09.11.09		AD,OSA,CAA,CFA,AD	New	09.12.09		OSA,CAA,CFA,AC,AD	New	14.01.10		OSA,CAA,CFA,AD,AC

## **IMPLEMENTATION OF MUNICIPAL BUDGETS**

### **Financial Performance**

This section of the report focuses on the financial health of the municipality as reflected in the November budget statement submitted. Information regarding revenue collection and expenditure is detailed in this section.

### **Operating Revenue**

The operating revenue performance for the month of December reflects that municipalities generated an amount of R1,010 billion and an accumulated amount R4.485 billion or 51 per cent of the total operating revenue budget of R8.738 billion. The expenditure reflects that municipalities have accumulated just over half the total budget. The collection pace by municipalities is still in line the projections.

The result in the above paragraph is informed by the performance of the five districts, from which analysis shows that Sekhukhune district has performed the worst at 27 per cent.

Code	Municipality	Financial Performance			
		Total Revenue			
		Original/ad justed budget	Actual receipts for the month	Actual receipts year to date	Actual receipts to date as % of budget
R million					
NP03a2	Makhuduthamaga	137	26	93	67%
NP03a3	Fetakgomo	43	6	9	22%
NP03a4	Greater marble Hall	108	17	72	67%
NP03a5	Greater Tubatse	163	31	63	39%
NP03a6	Elias Motsoaledi	230	30	81	35%
DC47	Greater Sekhukhune	491	–	0	0%
<b>Sekhukhune</b>		<b>1,174</b>	<b>109</b>	<b>319</b>	<b>27%</b>
NP331	Greater Giyani	120	30	83	69%
NP332	Greater Letaba	98	32	79	81%
NP333	Greater Tzaneen	587	73	301	51%
NP334	Ba-Phalaborwa	344	12	113	33%
NP335	Maruleng	61	10	45	73%
DC33	Mopani District	665	103	258	39%
<b>Mopani District</b>		<b>1,875</b>	<b>260</b>	<b>879</b>	<b>47%</b>
NP341	Musina	129	8	78	60%
NP342	Mutale	92	0	35	38%
NP343	Thulamela	373	78	225	60%
NP344	Makhado	462	26	221	48%
DC34	Vhembe District	1,036	94	721	70%
<b>Vhembe</b>		<b>2,092</b>	<b>206</b>	<b>1,280</b>	<b>61%</b>
NP351	Blouberg	107	1	41	38%
NP352	Aganang	47	7	30	64%
NP353	Molemole	58	3	38	66%
NP354	Polokwane	1,652	194	726	44%
NP355	Lepelle-Nkumpi	261	27	142	54%
DC35	Capricorn District	190	28	421	221%
<b>Capricorn</b>		<b>2,316</b>	<b>260</b>	<b>1,398</b>	<b>60%</b>
NP361	Thabazimbi	62	–	48	77%
NP362	Lephalale	205	111	241	117%
NP363	Mookgophong	80	9	38	48%
NP364	Modimolle	157	7	58	37%
NP365	Bela-Bela	140	20	70	50%
NP366	Mogalakwena	537	–	85	16%
DC36	Waterberg District	99	28	69	69%
<b>Waterberg</b>		<b>1,280</b>	<b>175</b>	<b>609</b>	<b>48%</b>

District performance shows that of the R1.010 billion generated for the month of December, Sekhukhune collected only 10 percent, Mopani 26 per cent, Vhembe 20 per cent, Capricorn 20 per cent and Waterberg 17 percent against the monthly straight line projection of 8.3 per cent.

While the other four districts show a better performance, Sekhukhune district is reflecting an under performance over the six months period ending 31 December 2009.

**The performance of the individual items is as follows:**

- **Property Rates:** The total budget amounts to R629 million, while the year to date revenue generated amounts to R281 million or 45.0 per cent of the total budget. The monthly collection is 10 per cent or R62 million of the total budget.
- **Service Charges:** The total budget amounts to R1.960 billion, the year to date revenue generated amounts to R792 million or 40. 0 per cent of the budget. The monthly collection is R 133 million or 8 per cent of the total line budget.
- **Investment revenue:** The total budget amounts to R273 million, the year to date receipts stands at R67 million or 24 per cent of the budget. The monthly collection is R 15 million or 5 per cent of the total line budget.
- **Transfers recognised:** The total budget amounts to R4.887 billion, while the current revenue generated to date amounts to R2.990 million or 61, 0 per cent of the budget. The monthly collection is R 748 million or 15 per cent of the total line budget.
- **Other Revenue:** The total budget amounts to R989 million, while the year to date receipts amounts to R355 million or 36 per cent of the budget. The monthly collection is R 54 million or 5 per cent of the total line budget.

## Operating Expenditure

The operating expenditure performance for the month of December reflects that municipalities expended an amount of R565 million and expended an accumulated R2.618 billion or 40 per cent of the total operating revenue budget of R6.599 billion.

Code	Municipality	Financial Performance			
		Total Expenditure			
		Original/adju sted budget	Actual expenditure for the month	Actual expenditure year to date	Actual spent to date as % of budget
R million					
NP03a2	Makhuduthamaga	50	3	38	76%
NP03a3	Fetakgomo	16	1	4	27%
NP03a4	Greater marble Hall	182	2	10	6%
NP03a5	Greater Tubatse	48	3	9	19%
NP03a6	Elias Motsoaledi	148	10	31	21%
DC47	Greater Sekhukhune	497	90	274	55%
<b>Sekhukhune</b>		<b>1,025</b>	<b>81</b>	<b>318</b>	<b>31%</b>
NP331	Greater Giyani	126	10	51	40%
NP332	Greater Letaba	141	7	39	28%
NP333	Greater Tzaneen	495	30	212	43%
NP334	Ba-Phalaborwa	384	20	118	31%
NP335	Maruleng	82	4	37	45%
DC33	Mopani District	378	56	157	41%
<b>Mopani District</b>		<b>1,606</b>	<b>126</b>	<b>614</b>	<b>38%</b>
NP341	Musina	109	9	75	68%
NP342	Mutale	65	4	24	37%
NP343	Thulamela	190	14	189	99%
NP344	Makhado	464	26	149	32%
DC34	Vhembe District	355	138	253	71%
<b>Vhembe</b>		<b>1,183</b>	<b>190</b>	<b>690</b>	<b>58%</b>
NP351	Blouberg	83	7	29	35%
NP352	Aganang	37	5	22	58%
NP353	Molemole	57	7	19	33%
NP354	Polokwane	1,086	73	366	34%
NP355	Lepelle-Nkumpi	136	6	33	24%
DC35	Capricorn District	190	28	121	64%
<b>Capricorn</b>		<b>1,591</b>	<b>126</b>	<b>590</b>	<b>37%</b>
NP361	Thabazimbi	161	–	39	25%
NP362	Lephalale	205	13	103	50%
NP363	Mookgophong	80	8	42	52%
NP364	Modimolle	133	9	50	38%
NP365	Bela-Bela	135	10	60	45%
NP366	Mogalakwena	409	–	(23)	-6%
DC36	Waterberg District	71	3	135	191%
<b>Waterberg</b>		<b>1,194</b>	<b>42</b>	<b>407</b>	<b>34%</b>
<b>Total</b>		<b>6,599</b>	<b>565</b>	<b>2,618</b>	<b>40%</b>

## **Performance per District:**

**Sekhukhune District:** Overall operating expenditure stands R318.0 million or 31 per cent of the total budget R1.025 billion. Greater Tubatse, Greater marble Hall and Elias Motsoaledi are showing serious under spending.

**Mopani District:** The district has reflected a year to date spending of 38 per cent or R614 million of a budget of R1.606 billion. All the municipalities in the district are showing expenditure below the 50 per cent mark

**Vhembe District:** Expenditure for the year to date stands at 58 per cent or R690 million of the total budget of R1.183 billion. The district reflects a R190 million or 16 per cent spending for the month.

**Capricorn District:** Expenditure for the year to date stands at 37 per cent or R590 million of the total budget of R1.591 billion. The monthly spending stands at R126 million or 8 per cent under spending by 0.3 per cent against the monthly straight line norm

**Waterberg District:** The district operating expenditure for the year to date stands at 34 per cent or R407 million of the total capital budget of R1.194 billion. Monthly spending stands at R42 million or 4 per cent of the total budget.

## **The performances of the individual items are as follows:**

- **Employee Related Costs:** The budget amounts to R2.253 billion, while the expenditure to date amounts to R1200. 0 billion or 53.0 per cent of the budget. The monthly expenditure is R 232 million or 10 per cent of the total line budget.
- **Remuneration of Councilors:** The budget amounts to R275.0 million, while the expenditure to date amounts to R92.0 million or 34.0 per cent of the budget. The monthly expenditure is R 19 million or 10 per cent of the total line budget.
- **Debt impairment:** The budget amounts to R78 million, while the year to date expenditure amounts to minus two. The monthly expenditure is minus one.
- **Depreciation or amortisation:** The budget amounts to R278.0 million, while the year to date expenditure amounts to R20.0 million or 7.0 per cent of the budget. The monthly expenditure is R 3 million or 1 per cent of the total line budget reflecting a slight under expenditure.
- **Finance charges:** The budget amounts to R48 million, while the year to date expenditure amounts to nil. The monthly expenditure is nil.
- **Materials and bulk Purchases:** The budget amounts to R1.519 billion, while the expenditure to date amounts to R571.0 million or 38.0 per cent of the budget. The monthly expenditure is R 116 million or 8 per cent of the total line budget reflecting a slight under expenditure.
- **Other expenditure:** The budget amounts to R2.148 billion, while the year to date expenditure amounts to R731.0 million or 34.0 per cent of the budget. The monthly expenditure is R 195 million or 9 per cent of the total line budget.

## **Capital Funding Source and Expenditure**

This section of the report focuses on the capital base of the municipality as reflected in the monthly budget statement submitted. Information regarding capital funding and expenditure is detailed in this section.

## Capital Revenue: Sources of Finance

Capital revenue represents the sources of finances utilised to fund capital expenditure. There are a number of sources from which capital revenue is sourced; the major source of capital financing is from Government Grants and Subsidies since most municipalities have very small own revenue bases or sources.

Code	Municipality	Capital expenditure			
		Total sources of Funding			
		Original/adjusted budget	Actual receipts for the month	Actual receipts year to date	Actual receipts to date as % of budget
R million					
NP03a2	Makhuduthamaga	50	–	26	53%
NP03a3	Fetakgomo	16	1	4	22%
NP03a4	Greater marble Hall	16	–	–	
NP03a5	Greater Tubatse	49	–	48	100%
NP03a6	Elias Motsoaledi	82	1	5	7%
DC47	Greater Sekhukhune	329	90	266	81%
<b>Sekhukhune</b>		<b>542</b>	<b>92</b>	<b>350</b>	<b>65%</b>
NP331	Greater Giyani	32	9	16	50%
NP332	Greater Letaba	50	8	25	50%
NP333	Greater Tzaneen	155	11	47	30%
NP334	Ba-Phalaborwa	41	–	–	
NP335	Maruleng	34	–	–	
DC33	Mopani District	286	44	68	24%
<b>Mopani District</b>		<b>598</b>	<b>72</b>	<b>156</b>	<b>26%</b>
NP341	Musina	32	1	5	16%
NP342	Mutale	27	2	8	28%
NP343	Thulamela	214	10	30	14%
NP344	Makhado	111	5	24	22%
DC34	Vhembe District	789	38	130	16%
<b>Vhembe</b>		<b>1,173</b>	<b>55</b>	<b>196</b>	<b>17%</b>
NP351	Blouberg	38	–	–	
NP352	Aganang	38	–	–	
NP353	Molemole	20	–	6	32%
NP354	Polokwane	1,322	92	486	37%
NP355	Lepelle-Nkumpi	124	–	–	
DC35	Capricorn District	406	19	247	61%
<b>Capricorn</b>		<b>1,948</b>	<b>112</b>	<b>739</b>	<b>38%</b>
NP361	Thabazimbi	49			
NP362	Lephalale	32	1	7	23%
NP363	Mookgophong	40	2	12	31%
NP364	Modimolle	56		5	9%
NP365	Bela-Bela	20		1	5%
NP366	Mogalakwena	149	6	19	13%
DC36	Waterberg District	29	1	2	8%
<b>Waterberg</b>		<b>374</b>	<b>(1)</b>	<b>9</b>	<b>2%</b>
<b>Total</b>		<b>4,635</b>	<b>329</b>	<b>1,450</b>	<b>31%</b>

The overall performance for all the districts stands at 31 per cent or R1.450 billion in monetary terms against a budget of R4.635 billion.

**For the period to date inclusive of the month of November, the performance per district was;**

**Sekhukhune District:** R350.0 million or 65 per cent of the total district budget of R542 million was receipted by the district municipalities for six months. The month receipts amount to R92 million or 17 per cent.

**Mopani District:** The district receipted a total of R156 million or 26 per cent of the total capital revenue of R598 million. The month receipts amount to R72 million or 12 per cent

**Vhembe District:** Receipted R196 million of the total capital budget of R1.173 million or an equivalent of 17 in percentage terms. The monthly receipt amounts to R55 million or 5 per cent.

**Capricorn Districts:** The district shows a 38 per cent or R739 million receipted accumulated over six months. The month receipts amount to R112 million or 6 per cent.

**Waterberg District:** Receipted R9 million or 2 percent of the total budget of R374 million. This is not a true reflection of the performance mainly due to Mogalakwena reflecting a negative figure in its report. This negative figure is causing the under counting when in fact the opposite is true.

The individual sources of finance reflected the following current month performance:

- i. **External loans** reflect 3 per cent collection of total budget; this implies that municipalities have not gone out to acquire external financing.
- ii. **Asset Financing Reserve reflect** that 34 per cent or R196 million from a budget of R580 million has been receipted in total. The monthly receipts amount to R33 million or 6 per cent.
- iii. **Surplus cash** showed a 27 per cent or R113 million availability against a budget of R425 million. The monthly receipts amount to R46 million or 11 per cent.
- iv. **Grants and Subsidies** reflect R1.073 million or 33 per cent has been receipted in total. The month receipts amount to R220 million or 7 per cent.
- v. **Other Sources** reflect a 22 per cent receipt from a budget R169 million.

## Capital Expenditure

For the month of December, the accumulated performance is at R1.516 billion translating into 35 per cent of the total capital budget of R4.288 billion.

Code	Municipality	Total Capital Expenditure			
		Original/adjusted budget	Actual expenditure for the month	Actual expenditure year to date	Actual spent to date as % of budget
R million					
NP03a2	Makhuduthamaga	50	3	38	76%
NP03a3	Fetakgomo	16	1	4	27%
NP03a4	Greater marble Hall	182	2	10	6%
NP03a5	Greater Tubatse	48	3	9	19%
NP03a6	Elias Motsoaledi	65	4	12	19%
DC47	Greater Sekhukhune	497	90	274	55%
<b>Sekhukhune</b>		<b>858</b>	<b>103</b>	<b>348</b>	<b>41%</b>
NP331	Greater Giyani	32	9	16	50%
NP332	Greater Letaba	50	8	26	51%
NP333	Greater Tzaneen	155	11	47	30%
NP334	Ba-Phalaborwa	41	5	25	60%
NP335	Maruleng	34	3	19	58%
DC33	Mopani District	286	44	78	27%
<b>Mopani District</b>		<b>598</b>	<b>79</b>	<b>211</b>	<b>35%</b>
NP341	Musina	32	1	5	16%
NP342	Mutale	27	2	9	34%
NP343	Thulamela	193	10	25	13%
NP344	Makhado	111	5	24	22%
DC34	Vhembe District	-	38	130	#DIV/0!
<b>Vhembe</b>		<b>362</b>	<b>55</b>	<b>192</b>	<b>53%</b>
NP351	Blouberg	38	6	19	50%
NP352	Aganang	38	1	8	22%
NP353	Molemole	20	0	9	44%
NP354	Polokwane	1,322	92	486	37%
NP355	Lepelle-Nkumpi	124	211	222	178%
DC35	Capricorn District	479	19	185	39%
<b>Capricorn</b>		<b>2,021</b>	<b>112</b>	<b>739</b>	<b>37%</b>
NP361	Thabazimbi	48	-	12	0
NP362	Lephalale	32	1	13	40%
NP363	Mookgophong	40	2	12	31%
NP364	Modimolle	97	0	5	5%
NP365	Bela-Bela	19	0	1	5%
NP366	Mogalakwena	183	(6)	(19)	-11%
DC36	Waterberg District	29	1	2	8%
<b>Waterberg</b>		<b>449</b>	<b>(1)</b>	<b>26</b>	<b>6%</b>
<b>Total</b>		<b>4,288</b>	<b>348</b>	<b>1,516</b>	<b>35%</b>

## **Performance per District:**

**Sekhukhune District:** Overall expenditure stands at R348.0 million or 41 per cent of the total budget of R858 million. The month expenditure stands at R103 million or 12 per cent of the total budget.

**Mopani District:** Overall expenditure stands R211.0 million or 35 per cent of the total budget of R598 million. The month expenditure stands at R79 million or 13 per cent of the total budget.

**Vhembe District:** Overall expenditure stands R192.0 million or 53 per cent of the total budget of R362 million. The month expenditure stands at R55 million or 15 per cent of the total budget.

**Capricorn District:** Overall expenditure stands R739.0 million or 37 per cent of the total budget of R2.021 million. The month expenditure stands at R112 million or 6 per cent of the total budget.

**Waterberg District:** Overall expenditure stands R26.0 million or 6 per cent of the total budget of R449 million.

The performances of the individual items are as follows:

- **Infrastructure:** reflects a budget of R3.067 billion and a cumulative performance of R1.303.0 billion or 43 per cent. The month expenditure stands at R504 million or 18 per cent of the total budget.
- **Community:** reflects a budget of R836 million and a cumulative performance of R324.0 million or 39 per cent. The month expenditure stands at R38 million or 5 per cent of the total budget.
- **Investment properties:** reflects a budget of R9 million and a cumulative performance of R3.0 million or 37 per cent. The month expenditure stands at nil
- **Other assets:** reflects a budget of R427 million and a cumulative performance of R76.0 million or 18 per cent. The month expenditure stands at R23 million or 5 per cent of the total budget.

## Debtors

The total outstanding debtor's book, for the municipalities in the Province for the month of December, amounts to R1.509 billion.

Debtors per district	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Total
<b>Debtors Age analysis</b>								
Sekhukhune	29	5	2	14	27	0	0	76
Mopani	17	46	21	18	181	62	118	464
Vhembe	11	27	20	15	48	102	57	280
Capricorn	76	33	19	38	236	-	7	408
Waterberg	11	27	20	15	48	102	57	280
	<b>144</b>	<b>138</b>	<b>83</b>	<b>100</b>	<b>540</b>	<b>266</b>	<b>239</b>	<b>1,509</b>

Debtors owing between 0-30 days amounts to R144 million, 31-60 days amounts to R138 million. Debtors owing between 121-150 days are the most significant with R540 million or 35 per cent, while the debt owed falling into the category over 150 and 181 days to a year constitute R266 and R239 million respectively.

## Creditors

The total accounts payable for the month of November owed by municipalities' amount to R140.0 million.

Creditors per district	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Total
<b>Creditors Age analysis</b>								
Sekhukhune	0	0	-	-	-	-	-	0
Mopani	38	0	0	-	-	-	-	39
Vhembe	11	3	4	3	3	2	-	26
Capricorn	36	-	-	0	-	-	-	36
Waterberg	38	0	0	0	0	0	-	39
	<b>123</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>-</b>	<b>140</b>

The current debt owed by municipalities collectively is R145 million. Four districts being Mopani, Vhembe, Capricorn and Waterberg are reflecting amounts owing in the category 0-30 days.

## Cash-flows

Cash flows	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
Opening Cash Balance	645	1,355	1,255	1,065	856	699	681	564	423	440	374	132
Sub-Total (Receipts)	1,651	765	629	698	725	1,174	538	370	525	465	314	345
Sub-Total (Payments)	941	865	819	908	882	1,191	282	512	508	530	556	576
Closing Balance	1,355	1,255	1,065	856	699	681	564	423	440	374	132	(99)

Not all municipalities in the province completed the cash flow statement. Analysis of the cash flow return has revealed that municipalities are not completing this document correctly and therefore it distorts the analysis.

## CONCLUSION

Generally there are changes and improvements for the better in that there was a 100 per cent submission for the month of December. We hope that this improvement will translate into service delivery improvement as well. Municipalities are being encouraged to move to the level of not focusing on submitting but to submit credible reports. Provincial Treasury will always interact with municipalities on the findings of the analysis of the s71 reports monthly.