



**LIMPOPO**

PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

**PROVINCIAL TREASURY**

Enq: Mulenga S

Date: 06 November 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: OCTOBER 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> October 2009.

  
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**HEAD OF DEPARTMENT  
PROVINCIAL TREASURY**

**DATE:** 14/01/2010

**LIMPOPO PROVINCIAL TREASURY**  
**Municipal Budget Performance**  
**Consolidated Statement as at 31<sup>st</sup> October 2009**

## **INTRODUCTION**

This consolidated budget statement and report covers the financial performance of municipalities for the period ending on 31<sup>st</sup> October 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 break down of 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.

Municipality	Aug-09			Sep-09			Oct-09					
	Old/new version	Date of submission		Documents sent	Old/new	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	18-09-09		OSA,CAA,CFA,AD,AC	New	14-10-09		AC,CAA,CFA,OSA	New	20.11.09	19.11.09	OSA,CFA,AC,AD,CAA
LIM 351 - BLOUBERG	New	11/9/2009		OSA,CFA,CAA,AC	New	13-10-09		AC,AD,CAA,CFA,OSA	New	13.11.09		OSA,CFA,AC,AD,CAA
LIM 352 - AGANANG	New	18-09-09		OSA,CAA,CFA,AD,AC	New	14-10-09		CFA,OSA,AD,AC,CAA	New	13.11.09		OSA,CFA,AC,AD,CAA
LIM 353 - MOLEMOLE	New	18-09-09		OSA,CAA,CFA,AD,AC	New	14-10-09		OSA,CAA,CFA,AD,AC	New	11.11.09	11.11.09	OSA,CFA,AC,AD,CAA
LIM 354 - POLOKWANE	New	11/9/2009		OSA,CAA,CFA,AD,AC	New	7/10/2009		OSA,CAA,CFA,AD,AC	New	06.11.09		OSA,CFA,AC,AD,CAA
LIM 355 - LEPELLE-NKUMPI	New	10/9/2009		OSA,CAA,CFA,AD,AC	New	22/10/2009		OSA,CAA,CFA,AD,AC	New	11.11.09		OSA,CFA,AC,AD,CAA
DC - 47 - GREATER SEKHUKHUNE					New	22/10/2009		OSA,CAA,AD	New	17.11.09		CAA,CFA,AD,AC
LIM 471 - MARBLE HALL	New	15-09-09		OSA,CFA,CAA,AD,AC	New	14-10-09		OSA,CAA,CFA,AD,AC	New	10.11.09		CAA,CFA,AD,AC,OSA
LIM 472 - ELIAS MOTSOLEDI	New	15-09-09		OSA,CFA,CAA,AD,AC	New	13-10-09		OSA,CAA,CFA,AD,AC	New	13.11.09		CAA,AD,AC,OSA,CFA
LIM 473 - MAKHUDUTHAMAGA	New	14-09-09		OSA,CFA,CAA,AD,AC	New	15-10-09		OSA,CAA,CFA,	New	18.11.09		OSA,CFA,AD,CAA
LIM 474 - FETANGOMO	New	10/9/2009		OSA,AD,CAA,CFA	New	12/10/2009		OSA,CFA,CAA,AD,AC	New	10.11.09		OSA,CFA,CAA,AD,AC
LIM 475 - GREATER TUBATSE	New	16-09-09		CAA,OSA,CFA,AC	New	12/10/2009		OSA,CFA,CAA,AD,AC	New	17.11.09	23.11.09	AC,AD,CAA,CFA,OSA
DC 33 - MOPANI	New	4/9/2009		OSA,CFA,CAA,AD	New	22/10/2009		OSA,CFA,CAA,AC	New	10.11.09		OSA,CAA,CFA,AD,AC
LIM 331 - GREATER GIYANI	New	9.12.09		AC,AD,CAA,CFA,OSA	New	09.12.09		OSA,CFA,CAA,ACAD	New	09.12.09		OSA,CAA,CFA,AD,AC
LIM 332 - GREATER LETABA	New	15-09-09		OSA,CFA,CAA,AD,AC	New	14-10-09		OSA,CFA,CAA,AD,AC	New	06.11.09		OSA,CAA,CFA,AD,AC
LIM 333 - GREATER TZANEEN	New	23-09-09		OSA,CFA,CAA,AD,AC	New	14-10-09		OSA,CFA,CAA,AD,AC	New	13.11.09		OSA,CAA,CFA,AD,AC
LIM 334 - BA - PHALABORWA	New	14-09-09	26.10.09	OSA,CFA,AC,AD,CAA	New	13-10-09		OSA,CFA,CAA,AD,AC	New	13.11.09		OSA,CAA,CFA,AD,AC
LIM 335 - MARULENG					New	09.12.09		OSA,CFA,CAA,AD,AC	New	23/11/09		AC,AD,CAA,CFA,OSA
DC 36 - WATERBERG	New	14-09-09		OSA,CFA,CAA,AD,AC	New	13-10-09		OSA,CFA,CAA,AD,AC	New	13.11.09		OSA,CAA,CFA,AD,AC
LIM 361 - THABAZIMBI	New	25-09-09		OSA,CFA,CAA,AD,AC					New	24/11/09		CAA,AD,AC
LIM 362 - LEPHALALE	New	14-09-09		OSA,CFA,CAA,AD,AC	New	14-10-09		CAA,CFA,AC,AD	New	13.11.09		OSA,CFA,CAA,AD,AC
LIM 364 - MOOKGOPONG	New	14-09-09		OSA,CFA,CAA,AD,AC	New	14-10-09		OSA,CFA,CAA,AD,AC	New	13.11.09		OSA,CFA,CAA,AD,AC
LIM 365 - MODIMOLLE	New	14-09-09		OSA,CFA,CAA,AD,AC	New	7/10/2009		OSA,CFA,CAA,AD,AC	New	13.11.09		OSA,CFA,CAA,AD,AC
LIM 366 - BELA-BELA	New	16-09-09		OSA,CAA,AD,AC	New	22/10/2009		OSA,CFA,CAA,AD,AC	New	16.11.09		OSA,CFA,CAA,AD,AC
LIM 367 - MOGALAKWENA	New	11/9/2009		OSA,CAA,AC,AD	New	13-10-09		OSA,CAA,AD,AC				
DC 34 - VHEMBE					New	15-10-09		OSA,CAA,AD,AC,CFA	New	10.11.09		OSA,CFA,CAA,AC,AD
LIM 341- MUSINA	New	14-09-09		OSA,CFA,CAA,AC,AD	New	14-10-09		OSA,CFA,CAA,AD,AC	New	13.11.09		OSA,CFA,CAA,AC,AD
LIM 342 - MUTALE									New	11.11.09		AD,CFA,CAA,OSA
LIM 343 - THULAMELA	New	11/9/2009		OSA,CAA,CFA,AC	New	14-10-09		OSA,CFA,CAA,AD,AC	New	13.11.09		AD,CFA,CAA,OSA,AC
LIM 344 - MAKHADO	New	15-09-09		OSA,CAA,CFA,AC,AD	New	14-10-09		OSA,CFA,CAA,AD,AC	New	09.11.09		AD,OSA,CAA,CFA,AD

## **IMPLEMENTATION OF MUNICIPAL BUDGETS**

### **Financial Performance**

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

### **Operating Revenue**

The operating revenue performance for the month of October reflects that municipalities generated an amount of R615 million and an accumulated R2.265 billion or 30 per cent of the total operating revenue budget of R8.738 billion.

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	7	65	47%
NP03a3	Fetakgomo	43	1	2	5%
NP03a4	Greater marble Hall	108	6	39	36%
NP03a5	Greater Tubatse	163	6	22	14%
NP03a6	Elias Motsoaledi	230	–	52	23%
DC47	Greater Sekhukhune	491	–	0	0%
<b>Sekhukhune</b>		<b>1,174</b>	<b>20</b>	<b>181</b>	<b>15%</b>
NP331	Greater Giyani	120	–	–	
NP332	Greater Letaba	98	2	44	45%
NP333	Greater Tzaneen	587	33	201	34%
NP334	Ba-Phalaborwa	344	14	73	21%
NP335	Maruleng	61	3	6	9%
DC33	Mopani District	665	0	154	23%
<b>Mopani District</b>		<b>1,875</b>	<b>52</b>	<b>478</b>	<b>25%</b>
NP341	Musina	129	9	62	48%
NP342	Mutale	92	4	24	26%
NP343	Thulamela	373	13	120	32%
NP344	Makhado	462	25	169	37%
DC34	Vhembe District	1,036	219	464	45%
<b>Vhembe</b>		<b>2,092</b>	<b>270</b>	<b>839</b>	<b>40%</b>
NP351	Blouberg	107	1	35	32%
NP352	Aganang	47	0	23	48%
NP353	Molemole	58	1	32	55%
NP354	Polokwane	1,652	120	399	24%
NP355	Lepelle-Nkumpi	261	7	70	27%
DC35	Capricorn District	190	85	308	162%
<b>Capricorn</b>		<b>2,316</b>	<b>214</b>	<b>866</b>	<b>37%</b>
NP361	Thabazimbi	62	–	20	32%
NP362	Lephalale	205	36	36	18%
NP363	Mookgophong	80	3	19	23%
NP364	Modimolle	157	8	51	32%
NP365	Bela-Bela	140	10	40	29%
NP366	Mogalakwena	537	–	85	16%
DC36	Waterberg District	99	2	38	39%
<b>Waterberg</b>		<b>1,280</b>	<b>59</b>	<b>288</b>	<b>23%</b>
<b>Total</b>		<b>8,738</b>	<b>615</b>	<b>2,652</b>	<b>30%</b>

District performance shows that of the R615 million generated for the month of October, Sekhukhune collected on 3 per cent, Mopani 8.5 per cent, Vhembe 44 per cent, Capricorn 35 per cent and Waterberg 10 per cent against the monthly straight line projection of 8.3 per cent.

While the other four districts show a better performance, Sekhukhune district is reflecting a relatively low spending. Capricorn and Vhembe districts are relatively high at 35 and 44 per cent.

**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 R159 million or 25.0 per cent of the budget. The monthly collection is 7 per cent of the total line budget.
- **Service Charges:** The total budget amounts to R1.912 billion, the year to date revenue generated amounts to R518 million or 26. 0 per cent of the budget. The monthly collection is R 125 million or 6 per cent of the total line budget.
- **Investment revenue:** The total budget amounts to R273 million, the year to date receipts stands at R35 million or 13 per cent of the budget. The monthly collection is R 12 million or 4 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 R1.748 million or 36, 0 per cent of the budget. The monthly collection is R 381 million or 8 per cent of the total line budget.
- **Other Revenue:** The total budget amounts to R989 million, while the year to date receipts amounts to R192 million or 19 per cent of the budget. The monthly collection is R 56 million or 6 per cent of the total line budget.

## Operating Expenditure

The operating expenditure performance for the month of October reflects that municipalities expended an amount of R415 million and an accumulated R1.490 billion or 23 per cent of the total operating revenue budget of R6.599 billion.

Code	Municipality	Financial Performance			
		Total Expenditure			
R million		Original/adjusted budget	Actual expenditure for the month	Actual expenditure year to date	Actual spent to date as % of budget
NP03a2	Makhuduthamaga	50	6	24	49%
NP03a3	Fetakgomo	16	0	2	11%
NP03a4	Greater marble Hall	182	2	8	4%
NP03a5	Greater Tubatse	48	0	5	10%
NP03a6	Elias Motsoaledi	148	–	21	14%
DC47	Greater Sekhukhune	497	6	116	23%
<b>Sekhukhune</b>		<b>1,025</b>	<b>51</b>	<b>206</b>	<b>20%</b>
NP331	Greater Giyani	126	–	–	
NP332	Greater Letaba	141	5	26	19%
NP333	Greater Tzaneen	495	52	165	33%
NP334	Ba-Phalaborwa	384	18	85	22%
NP335	Maruleng	82	4	22	27%
DC33	Mopani District	378	31	87	23%
<b>Mopani District</b>		<b>1,606</b>	<b>110</b>	<b>386</b>	<b>24%</b>
NP341	Musina	109	7	57	52%
NP342	Mutale	65	4	16	24%
NP343	Thulamela	190	15	60	31%
NP344	Makhado	464	25	98	21%
DC34	Vhembe District	355	35	80	23%
<b>Vhembe</b>		<b>1,183</b>	<b>86</b>	<b>310</b>	<b>26%</b>
NP351	Blouberg	83	6	17	21%
NP352	Aganang	37	4	13	34%
NP353	Molemole	57	4	9	16%
NP354	Polokwane	1,086	70	220	20%
NP355	Lepelle-Nkumpi	136	6	21	15%
DC35	Capricorn District	190	18	75	39%
<b>Capricorn</b>		<b>1,591</b>	<b>107</b>	<b>355</b>	<b>22%</b>
NP361	Thabazimbi	161	–	14	9%
NP362	Lephalale	205	13	13	6%
NP363	Mookgophong	80	9	21	26%
NP364	Modimolle	133	10	42	31%
NP365	Bela-Bela	135	15	42	31%
NP366	Mogalakwena	409	–	(23)	-6%
DC36	Waterberg District	71	15	125	177%
<b>Waterberg</b>		<b>1,194</b>	<b>61</b>	<b>234</b>	<b>20%</b>
<b>Total</b>		<b>6,599</b>	<b>415</b>	<b>1,490</b>	<b>23%</b>

## **Performance per District:**

**Sekhukhune District:** Overall operating expenditure stands R206.0 million or 20 per cent of the total budget R1.025 billion. Fetakgomo, Greater marble Hall and Elias Motsoaledi shows no expenditure for the month

**Mopani District:** The district has reflected a year to date spending of 24 per cent or R386 million of a budget of R1.606 billion. Greater Giyani shows no spending in the month while Maruleng and Greater Letaba are reflecting very low performance in the month

**Vhembe District:** Expenditure for the year to date stands at 26 per cent or R310 million of the total budget of R1.183 billion. The district reflects a R86 million or 7 per cent spending for the month showing an under expenditure.

**Capricorn District:** Expenditure for the quarter stands at 22 per cent or R355 million of the total budget of R1.591 billion. The monthly spending stands at R107 million or 7 per cent under spending by 1.3 per cent against the monthly straight line norm

**Waterberg District:** The district operating expenditure for the quarter stands 20 per cent of the total capital budget of R1.194 billion. Monthly spending stands at R61 million or 5 per cent

## **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 R665. 0 million or 29.0 per cent of the budget. The monthly expenditure is R 172 million or 7 per cent of the total line budget reflecting a slight under expenditure.
- **Remuneration of Councilors:** The budget amounts to R275.0 million, while the expenditure to date amounts to R51.0 million or 19.0 per cent of the budget. The monthly expenditure is R 15 million or 5 per cent of the total line budget reflecting a under expenditure.
- **Debt impairment:** The budget amounts to R78 million, while the year to date expenditure amounts to nil. The monthly expenditure is nil.
- **Depreciation or amortisation:** The budget amounts to R278.0 million, while the year to date expenditure amounts to R15.0 million or 5.0 per cent of the budget. The monthly expenditure is R 5 million or 2 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 R356.0 million or 23.0 per cent of the budget. The monthly expenditure is R 103 million or 7 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 R404.0 million or 19.0 per cent of the budget. The monthly expenditure is R 121 million or 6 per cent of the total line budget reflecting a slight under expenditure.

## **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 financing & expenditure			
		Total sources of Funding			
R million		Original/adjusted budget	Actual receipts for the month	Actual receipts year to date	Actual receipts to date as % of budget
NP03a2	Makhuduthamaga	50	6	16	31%
NP03a3	Fetakgomo	16	0	1	9%
NP03a4	Greater marble Hall	16	-	-	
NP03a5	Greater Tubatse	49	-	48	100%
NP03a6	Elias Motsoaledi	82	-	1	1%
DC47	Greater Sekhukhune	329	6	117	36%
<b>Sekhukhune</b>		<b>542</b>	<b>13</b>	<b>184</b>	<b>34%</b>
NP331	Greater Giyani	32	-	-	
NP332	Greater Letaba	50	5	12	24%
NP333	Greater Tzaneen	155	8	20	13%
NP334	Ba-Phalaborwa	41	-	-	
NP335	Maruleng	34	-	-	
DC33	Mopani District	286	-	23	8%
<b>Mopani District</b>		<b>598</b>	<b>12</b>	<b>55</b>	<b>9%</b>
NP341	Musina	32	1	2	7%
NP342	Mutale	27	0	6	21%
NP343	Thulamela	214	4	12	5%
NP344	Makhado	111	2	13	12%
DC34	Vhembe District	789	26	53	7%
<b>Vhembe</b>		<b>1,173</b>	<b>33</b>	<b>85</b>	<b>7%</b>
NP351	Blouberg	38	-	-	
NP352	Aganang	38	-	-	
NP353	Molemole	20	2	9	46%
NP354	Polokwane	1,322	82	331	25%
NP355	Lepelle-Nkumpi	124	-	-	
DC35	Capricorn District	406	69	108	27%
<b>Capricorn</b>		<b>1,948</b>	<b>153</b>	<b>448</b>	<b>23%</b>
NP361	Thabazimbi	49			
NP362	Lephalale	32			
NP363	Mookgophong	40	2	6	15%
NP364	Modimolle	56		5	9%
NP365	Bela-Bela	20		1	3%
NP366	Mogalakwena	149	(6)	(19)	-13%
DC36	Waterberg District	29		1	3%
<b>Waterberg</b>		<b>374</b>	<b>(3)</b>	<b>(6)</b>	<b>-2%</b>
<b>Total</b>		<b>4,635</b>	<b>208</b>	<b>766</b>	<b>17%</b>

The overall performance for all the districts stands at 17 per cent or R766 million in monetary terms against a budget of R4.635 billion.

**For the quarter under review, the performance per district was;**

**Sekhukhune District:** R184.0 million or 34 per cent of the total district budget of R542 million was received by the district municipalities for four months. The month receipts amount to R13 million or 2 per cent.

**Mopani District:** The district received a total of R55 million or 9 per cent of the total capital revenue of R598 million. The month receipts amount to R12 million or 2 per cent

**Vhembe District:** Received R85 million of the total capital budget of R1.173 million or an equivalent of 7 in percentage terms. The monthly receipt amounts to R33 million or 3 per cent.

**Capricorn Districts:** The district shows a 23 per cent or R448 million received accumulated over four months. The month receipts amount to R153 million

**Waterberg District:** Received R6 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 0 per cent of total budget; this implies that municipalities have not gone out to acquire external financing.
- ii. **Asset Financing Reserve reflect** that 22 per cent or R126 million from a budget of R580 million has been received in total. The monthly receipts amount to R80 million or 14 per cent.
- iii. **Surplus cash** showed a 5 per cent or R20 million availability against a budget of R425 million. The monthly receipts amount to R2 million or 0.5 per cent.
- iv. **Grants and Subsidies** reflect R586 million or 18 per cent has been received in total. The month receipts amount to R124 million or 21 per cent.
- v. **Other Sources** reflect a 20 per cent receipt from a budget R228 million.

## Capital Expenditure

For the month of October, the accumulated performance is at R791 million translating into 18 per cent of the total capital budget of R4.397 billion.

Code	Municipality	Capital Expenditure			
		Total Capital Expenditure			
R million		Original/adjusted budget	Actual expenditure for the month	Actual expenditure year to date	Actual spent to date as % of budget
NP03a2	Makhuduthamaga	50	6	24	49%
NP03a3	Fetakgomo	16	0	2	11%
NP03a4	Greater marble Hall	182	2	8	4%
NP03a5	Greater Tubatse	48	0	5	10%
NP03a6	Elias Motsoaledi	65	–	6	10%
DC47	Greater Sekhukhune	497	6	116	23%
<b>Sekhukhune</b>		<b>858</b>	<b>16</b>	<b>161</b>	<b>19%</b>
NP331	Greater Giyani	32	–	–	
NP332	Greater Letaba	50	5	12	24%
NP333	Greater Tzaneen	155	8	20	13%
NP334	Ba-Phalaborwa	41	1	18	44%
NP335	Maruleng	34	3	10	29%
DC33	Mopani District	286	8	31	11%
<b>Mopani District</b>		<b>598</b>	<b>24</b>	<b>91</b>	<b>15%</b>
NP341	Musina	32	1	2	7%
NP342	Mutale	27	0	6	21%
NP343	Thulamela	155	4	10	7%
NP344	Makhado	111	2	13	12%
DC34	Vhembe District	–	26	53	#DIV/0!
<b>Vhembe</b>		<b>325</b>	<b>33</b>	<b>84</b>	<b>26%</b>
NP351	Blouberg	38	4	8	21%
NP352	Aganang	38	3	4	12%
NP353	Molemole	20	2	8	43%
NP354	Polokwane	1,322	82	331	25%
NP355	Lepelle-Nkumpi	124	2	8	6%
DC35	Capricorn District	479	69	96	20%
<b>Capricorn</b>		<b>2,021</b>	<b>153</b>	<b>448</b>	<b>22%</b>
NP361	Thabazimbi	48	–	12	0
NP362	Lephalale	178	2	2	1%
NP363	Mookgophong	40	2	6	15%
NP364	Modimolle	97	0	5	5%
NP365	Bela-Bela	19	0	1	3%
NP366	Mogalakwena	183	(6)	(19)	-11%
DC36	Waterberg District	29	0	1	3%
<b>Waterberg</b>		<b>595</b>	<b>(1)</b>	<b>7</b>	<b>1%</b>
<b>Total</b>		<b>4,397</b>	<b>224</b>	<b>791</b>	<b>18%</b>

## **Performance per District:**

**Sekhukhune District:** Overall expenditure stands R161.0 million or 19 per cent of the total budget of R858 million. The month expenditure stands at R16 million or 2 per cent of the total budget.

**Mopani District:** Overall expenditure stands R91.0 million or 15 per cent of the total budget of R598 million. The month expenditure stands at R24 million or 4 per cent of the total budget.

**Vhembe District:** Overall expenditure stands R84.0 million or 26 per cent of the total budget of R325 million. The month expenditure stands at R33 million or 10 per cent of the total budget.

**Capricorn District:** Overall expenditure stands R448.0 million or 22 per cent of the total budget of R2.021 million. The month expenditure stands at R153 million or 8 per cent of the total budget.

**Waterberg District:** Overall expenditure stands R7.0 million or 1 per cent of the total budget of R858 million.

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The performances of the individual items are as follows:

- **Infrastructure:** reflects a budget of R3.067 billion and a cumulative performance of R512.0 million or 17 per cent. The month expenditure stands at R165 million or 5 per cent of the total budget.
- **Community:** reflects a budget of R859 million and a cumulative performance of R243.0 million or 28 per cent. The month expenditure stands at R54 million or 6 per cent of the total budget.
- **Investment properties:** reflects a budget of R81 million and a cumulative performance of R3.0 million or 4 per cent. The month expenditure stands at nil
- **Other assets:** reflects a budget of R388 million and a cumulative performance of R42.0 million or 11 per cent. The month expenditure stands at R15 million or 4 per cent of the total budget.

## Debtors

The total outstanding debtor's book, for the municipalities in the Province for the month of October, amounts to R1.412 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	60	7	5	46	16	0	0	134
Mopani	22	42	19	17	178	44	107	429
Vhembe	11	27	17	23	33	97	45	253
Capricorn	60	18	17	24	218	-	6	343
Waterberg	11	27	17	23	33	97	45	253
	164	120	76	133	478	238	203	1,412

Debtors owing between 0-30 days amounts to R164 million, 31-60 days constitute R120 million. Debtors owing between 120-150 days are the most significant with R478 million or 34 per cent, while the debt owed falling into the category over 150 and 181 days to a year constitute R238 and R203 million respectively.

## Creditors

The total accounts payable for the month of October owed by municipalities' amount to R127.0 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	-	-	-	0
Mopani	36	0	-	-	-	-	-	36
Vhembe	7	0	2	3	0	2	-	15
Capricorn	37	-	-	0	-	-	-	37
Waterberg	38	-	-	-	-	-	-	38
	119	0	2	3	0	2	-	127

The current debt owed by municipalities collectively is R127 million. Municipalities seem to be applying the principle of paying creditors within 30 days after receipt of the invoice.

## Cash-flows

<b>Cash flows</b>	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
Opening Cash Balance	651	1,400	1,252	1,086	891	1,121	912	789	654	671	623	361
Sub-Total (Receipts)	1,682	677	598	541	760	278	510	353	502	456	267	333
Sub-Total (Payments)	933	825	765	736	529	487	310	488	485	504	529	556
<b>Closing Balance</b>	1,400	1,252	1,086	891	1,121	912	789	654	671	623	361	138

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. We hope that this improvement will translate into service delivery improvement as well. Municipalities that have issues still outstanding such as compliance and establishing of units are being encouraged to speed processes and adhere to legislation.