



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

CONSOLIDATED STATEMENT OF CAPITAL & OPERATING EXPENDITURE

LIMPOPO MUNICIPALITIES FOR THE FOURTH QUARTER 2007/08

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Introduction

This consolidated budget statement covers the fourth quarter performance of the 2007/08 municipal financial year ended 30 June 2008.

The consolidated statement assesses the fourth quarter financial performance of municipalities against their budgeted revenue and expenditure. The report includes the capital and operating budgets as well as debtors and cash flow.

The report covers an analysis of the quarter covering the period from April to June 2008. It should be noted that the information below consists of the s71 reports received from 7 municipalities out of 30 that submitted within the prescribed timeframe.

Legislative Framework

In terms of section 71(1) of the Municipal Finance Management Act (Act 56 of 2003) (MFMA) the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to, amongst other, the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget. Section 74 of the MFMA requires accounting officers to submit such information, returns, documents and motivations as may be required.

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.

Aggregated fourth quarter financial performance

Table 1 shows the consolidated statement for the period quarter ending 30 June 2008

TABLE 1: STATEMENT OF CAPITAL AND REVENUE BUDGETS AT 31 JUNE 2008								
Budget	Expenditure Budget				Revenue Budget			
	Original R'000	Adjusted R'000	Actual R'000	Actual vs Adjusted %	Original R'000	Adjusted R'000	Actual R'000	Actual vs Adjusted %
Capital	487,310	153,199	121,399	79.2%	673,957	248,679	161,053	64.8%
Operating	487,310	153,199	114,503	74.7%	663,968	247,105	385,707	156.1%

Table 1 indicates that the combined original capital expenditure budget has been adjusted downwards by R334, 11 million, from R487, 3 million to R153, 2 million. It further shows that R121, 4 million or 79.2 per cent of the combined adjusted capital expenditure budget has been

spent. The combined original revenue budget has been adjusted downwards by R425, 3 million from R673, 9 million to R248, 6 million.

Compliance with Section s71

The submission of the quarter 4 section 71 reports can be considered as unsatisfactory compared to the previous quarter. For the quarter under review it should be noted that 23% (7) of the municipalities submitted their section 71 reports as at 15 July 2008. This implies that 77% (23) of the 30 municipalities had did not meet the submission deadline. The table below indicates the municipalities that did not submit their section 71 reports by the 15th July 2008:

Table: 2

District Municipalities	Local Municipalities
1.	Blouberg Lepelle- Nkumpi Molemole Polokwane
2. Sekhukhune	Elias Motsoaledi Feta-Kgomo Greater Tubatse Greater Marble Hall Makhuduthamaga
3.	Bela-Bela Modimolle Mogalakwena Mookgophong Thabazimbi
4. Mopani	Greater Giyani Maruleng
5. Vhembe	Makhado Musina Mutale Thulamele

Provincial Treasury is assisting the municipalities to improve on reporting by giving feedback regarding the assessment of the reports that have been received.

Revenue and Spending of the 2007/08 budget

Capital Revenue and Expenditure

Table 3 below indicates capital revenue and expenditure for municipalities as at 30 June 2008.

Table: 3

SUMMARY OF MUNICIPAL BUDGETS AS AT JUNE 2008 : BUDGET VS ACTUALS (R'000) - PER DISTRICT/MUNICIPALITY

2007/08

DISTRICT/MUNICIPALITY	CAPITAL BUDGET											
	REVENUE						EXPENDITURE					
	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL TO DATE	ACTUAL Q4	VARIANCE	ACTUAL AS % OF ADJ BUDGET	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL TO DATE	ACTUAL Q4	VARIANCE	ACTUAL AS % OF ADJ BUDGET
Capricorn	279,075	279,075	14,638	147,100	264,437	5.2%	279,075	279,075	89,830	71,909	189,245	32.2%
Aganang	19,106	31,827	2,244	5,835	29,583	7.1%	19,106	31,827	17,664	5,835	14,163	55.5%
Blouberg	29,188	28,726	26,177		2,549	91.1%	29,188	28,726	21,148		7,578	73.6%
Lepelle- Nkumpi	31,658	43,625	3,229		40,396	7.4%	31,658	43,755	31,702		12,053	72.5%
Molemole	11,474	11,474	941		10,533	8.2%	11,474	11,474	4,494		6,980	39.2%
Polokwane	862,928	1,166,175	71,584		1,094,591	6.1%	862,928	1,166,175	534,449		631,726	45.8%
Sub- Total	1,233,429	1,560,902	118,813	152,935	1,442,089	7.6%	1,233,429	1,561,032	699,287	77,744	861,745	44.8%
Greater Sekhukhune	419,091				-		419,091	419,091			419,091	0.0%
Tubatse	63,416	51,076			51,076	0.0%	63,416	51,076			51,076	0.0%
Marble Hall	14,238	14,238	1,028		13,210	7.2%	14,238	14,238	4,623		9,615	32.5%
Elias Motsoaledi	84,702	84,702			84,702	0.0%	84,702	84,702			84,702	0.0%
Makhuduthamaga	37,168	37,168			37,168	0.0%	37,168	37,168			37,168	0.0%
Fetakgomo	6,786	7,818	495		7,323	6.3%	6,786	7,818	5,229		2,589	66.9%
Sub- Total	625,401	195,002	1,523	-	193,479	0.8%	625,401	614,093	9,852	-	604,241	1.6%
Mopani	203,476	241,351	18,538		222,813	7.7%	203,476	241,351	192,718		48,633	79.8%
Greater Tzaneen	37,730	37,730		7,873	37,730	0.0%	37,730	37,730		7,873	37,730	0.0%
Greater Letaba	31,572	28,086	3,420	30,410	24,666	12.2%	31,572	28,086	24,629	30,410	3,457	87.7%
Greater Giyani	50,454	50,454	-1,940		52,394	-3.8%	50,454	35,035	13,283		21,752	37.9%
Ba-Phalaborwa	60,639	60,639	645	2,764	59,994	1.1%	60,639	60,639	18,108	2,764	42,531	29.9%
Maruleng	11,041	11,041			11,041	0.0%	11,041	11,041			11,041	0.0%
Sub-Total	394,912	429,301	20,663	41,047	408,638	4.8%	394,912	413,882	248,738	41,047	165,144	60.1%
Waterberg	77,400	71,085	1,167	71,085	69,918	1.6%	77,400	71,085	28,209	18,629	42,876	39.7%
Lephalale	19,518	22,202	159	22,202	22,043	0.7%	19,518	22,202	26,840	2,138	-4,638	120.9%
Modimolle	31,029	31,029	2,439	-	28,590	7.9%	31,029	31,029	12,830		18,199	41.3%
Mogalakwena	139,641	246,345	12,892		233,453	5.2%	139,641	222,852	137,848		85,004	61.9%
Mookgopong	25,054	26,754	437		26,317	1.6%	25,054	26,754	6,701		20,053	25.0%
Thabazimbi	20,029	7,892			7,892	0.0%	20,029	20,029			20,029	0.0%
Bela-Bela	24,360	24,360			24,360	0.0%	24,360	24,360			24,360	0.0%
Sub-Total	337,031	429,667	17,094	93,287	412,573	4.0%	337,031	418,311	212,428	20,767	205,883	50.8%
Vhembe	396,420	668,408	11,791		656,617	1.8%	629,044	668,408	235,442		432,966	35.2%
Musina	13,097	13,097			13,097	0.0%	8,959	8,959	4,570		4,389	51.0%
Mutale	8,738	8,738	795		7,943	9.1%	8,738	11,480	5,081		6,399	44.3%
Thulamela	165,189	108,760			108,760	0.0%	165,189	108,760			108,760	0.0%
Makhado	87,331	81,142	4,143		76,999	5.1%	87,331	81,142	31,932		49,210	39.4%
Sub-Total	670,775	880,145	16,729	-	863,416	1.9%	899,261	878,749	277,025	-	601,724	31.5%
Total: Limpopo	3,261,548	3,495,017	174,822	287,269	3,320,195	5.0%	3,490,034	3,886,067	1,447,330	139,558	2,438,737	37.2%

Capital Revenue

The adjusted capital revenue budget for the year to June 2008 amounts to R3,5 billion, which is R233, 5 million or 7.2 per cent more than the original budget bearing in mind that only 7 municipalities have been assessed and reported on. The upward adjustment is mainly due to the increase in capital revenue in municipalities.

Capital Expenditure

The municipalities have spent in total R1,5 billion or 37.2 per cent of the total adjusted capital budget of R3, 8 billion for the year ending 30 June 2008.

Table 4 below categorises municipalities in terms of the fourth quarter spending performance. The overall capital spending should reflect performance of 25 per cent for the quarter, seven municipalities submitted and they are currently below the average and some municipalities are recording zero spending.

Table: 4

RANGE: SPENDING PERFORMANCE	NUMBER OF MUNICIPALITIES	MUNICIPALITIES
0-9 %	1	Ba-Pharaborwa, Letaba
10-19%	2	Aganang, Lephalale
20-29%	3	Capricorn, Greater Tzaneen, Waterberg
30-39%	0	
40-49%	0	
50% and above	0	

Operating Revenue and Expenditure

Table 5 shows the receipts and spending of the operating budgets for the municipalities for the fourth quarter ended 30 June;

Table: 5

SUMMARY OF MUNICIPAL BUDGETS AS AT JUNE 2008 : BUDGET VS ACTUALS (R'000) - PER DISTRICT/MUNICIPALITY												
2007/08												
DISTRICT/MUNICIPALITY	OPERATING BUDGET											
	REVENUE						EXPENDITURE					
	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL TO DATE	ACTUAL Q4	VARIANCE	ACTUAL AS % OF ADJ BUDGET	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL TO DATE	ACTUAL Q4	VARIANCE	ACTUAL AS % OF ADJ BUDGET
Capricorn	176,567	176,567	9,586	51,345	166,981	5.4%	176,567	176,567	94,584	34,697	81,983	53.6%
Aganang	33,441	29,879	2,250	951	27,629	7.5%	33,441	29,879	23,940	7,646	5,939	80.1%
Blouberg	22,463	17,850	3,995		13,855	22.4%	52,112	52,002	40,189		11,813	77.3%
Lepelle- Nkumpi	83,120	96,644	4,626		92,018	4.8%	51,462	53,019	47,912		5,107	90.4%
Molemole	47,406	47,406	2,577		44,829	5.4%	44,621	44,621	23,151		21,470	51.9%
Polokwane	1,547,999	1,840,776	121,168		1,719,608	6.6%	1,547,999	1,840,776	1,420,912		419,864	77.2%
Sub- Total	1,910,996	2,209,122	144,202	52,296	2,064,920	6.5%	1,906,202	2,196,864	1,650,688	42,343	546,176	75.1%
Greater Sekhukhune	714,946	714,946			714,946	0.0%	276,959	276,959			276,959	0.0%
Tubatse	112,691	19,895			19,895	0.0%	113,073	92,795			92,795	0.0%
Marble Hall	86,716	86,716	6,730		79,986	7.8%	86,194	86,194	54,561		31,633	63.3%
Elias Motsoaledi	175,489	175,489			175,489	0.0%	90,787	90,787			90,787	0.0%
Makhuduthamaga	11,432	11,432			11,432	0.0%	16,436	16,436			16,436	0.0%
Fetakgomo	18,305	24,118	1,303		22,815	5.4%	23,326	23,586	15,933		7,653	67.6%
Sub- Total	1,119,579	1,032,596	8,033	-	1,024,563	0.8%	606,775	586,757	70,494	-	516,263	12.0%
Mopani	346,193	370,152	16,494		353,658	4.5%	113,522	150,628	209,149		(58,521)	138.9%
Greater Tzaneen	307,428	307,428		69,745	307,428	0.0%	309,687	318,359		67,816	318,359	0.0%
Greater Letaba	71,954	69,242	4,978	3,059	64,264	7.2%	71,936	67,388	59,489	19,884	7,899	88.3%
Greater Giyani	73,786	104,636	4,108		100,528	3.9%	73,786	104,636	99,799		4,837	95.4%
Ba-Phalaborwa	181,266	181,266	19,437	22,461	161,829	10.7%	181,266	123,951	93,616	30,335	30,335	75.5%
Maruleng	41,079	36,859			36,859	0.0%	41,079	36,859			36,859	0.0%
Sub-Total	1,021,706	1,069,583	45,017	95,265	1,024,566	4.2%	791,276	801,821	462,053	118,035	339,768	57.6%
Waterberg	64,536	64,536	4,563	24,692	59,973	7.1%	54,369	43,334	37,361	3,140	5,973	86.2%
Lephalale	146,193	149,559	12,309	30,097	137,250	8.2%	146,389	146,389	122,130	35,304	24,259	83.4%
Modimolle	104,394	104,394	7,310		97,084	7.0%	104,368	104,368	91,284		13,084	87.5%
Mogalakwena	403,291	437,040	17,980		419,060	4.1%	292,277	295,876	194,146		101,730	65.6%
Mookgopong	53,054	58,778	5,805		52,973	9.9%	53,017	58,778	51,311		7,467	87.3%
Thabazimbi	63,662	104,555			104,555	0.0%	96,583	96,583			96,583	0.0%
Bela-Bela	100,076	100,076			100,076	0.0%	90,287	90,287			90,287	0.0%
Sub-Total	935,206	1,018,938	47,967	54,789	970,971	4.7%	837,290	835,615	496,232	38,444	339,383	59.4%
Vhembe	406,334	269,339	17931		251,408	6.7%	406,334	269,339	164,732		104,607	61.2%
Musina	80,582	80,582	10,407		70,175	12.9%	67,484	72,305	76,616		(4,311)	106.0%
Mutale	23,383	23,383	4,176		19,207	17.9%	36,078	52,121	36,049		16,072	69.2%
Thulamela	344,550	289,921			289,921	0.0%	179,361	181,160			181,160	0.0%
Makhado	247,616	245,851	14,431		231,420	5.9%	247,333	245,445	184,477		60,968	75.2%
Sub-Total	1,102,465	909,076	46,945	-	862,131	5.2%	936,590	820,370	461,874	-	358,496	56.3%
Total: Limpopo	6,089,952	6,239,315	292,164	202,350	5,947,151	4.7%	5,078,133	5,241,427	3,141,341	198,822	2,100,086	59.9%

The fourth quarter performance for the seven municipalities is at R202, 4 million of the adjusted operating budget of R5.2 billion, equivalent to 3.8 per cent while the year to date performance is at 59.9%. In total the adjusted budget has been adjusted upward by R149,3 million from R6,1 billion to R6,2 billion. The seven municipalities recorded a very low total operating expenditure budget amounting to R198,8 million or 4.3 per cent.

Table 6 below categorises municipalities in terms of their fourth quarter spending performance.

Table: 6

RANGE: SPENDING PERFORMANCE	NUMBER OF MUNICIPALITIES	MUNICIPALITIES
0-39 %	7	Capricorn, Aganang, Greater Tzaneen, Greater Letaba, Ba-Pharaborwa, Waterberg, Lephalala
40-49%	0	
50% and above	0	

Debtors

Table: 7

Debtors Age Analysis (R'000)										
Municipality	Total Debtors		0 - 30 days		31 - 60 days		61 - 90 days		over 90 days	
Capricorn	24,384	100%	-	-	-	-	-	-	24,384	100.0%
Aganang	6,164	100%	17	0.3%					6,147	99.7%
Blouberg	140	100%	3	2.1%	6	4.3%	13	9.3%	118	84.3%
Lepelle- Nkumpi	48,179		3,350		2,335		2,044		40,450	84.0%
Molemole	-	-	-	-	-	-	-	-	-	-
Polokwane	155,171	100%	28,702	18.5%	14,051	9.1%	9,363	6.0%	103,055	66.4%
Sub- Total	234,038	100%	32,072	13.7%	16,392	7.0%	11,420	4.9%	174,154	74.4%
Greater Sekhukhune										
Tubatse										
Marble Hall	9,965	100%	1989	20.0%	325	3.3%	252	2.5%	7,399	74.2%
Elias Motsoaledi										
Makhuduthamaga										
Fetakgomo	-	-	-	-	-	-	-	-	-	-
Sub- Total	9,965	100%	1,989	20.0%	325	3.3%	252	2.5%	7,399	74.2%
Mopani	-	-	-	-	-	-	-	-	-	-
Greater Tzaneen										
Greater Letaba	34,039	100%	661	1.9%	1,887	5.5%	886	2.6%	30,605	89.9%
Greater Giyani	46,422	0%	166		1,693	-	1,909	-	42,654	
Ba-Phalaborwa	114,061	100%	8,046		6,494		4,721		94,800	
Maruleng										
Sub- Total	194,522	0%	8,873	0%	10,074	0%	7,516	0%	168,059	0%
Waterberg	837	100%	140	16.7%	36	4.3%	13	1.6%	648	77.4%
Lephalale	20,705	100%	333	1.6%	1,468	7.1%	918	4.4%	17,986	86.9%
Modimolle	72,730	100%	2,402		2,084		1,613		66,631	91.6%
Mogalakwena	140,214	100%	12,393	8.8%	9,071	6.5%	4,529	3.2%	114,221	81.5%
Mookgopong	12,797	100%	2,509	19.6%	1,916	15.0%	710	5.5%	7,662	59.9%
Thabazimbi										
Bela-Bela										
Sub- Total	247,283	100%	17,777	7.2%	14,575	5.9%	7,783	3.1%	207,148	83.8%
Vhembe										
Musina	22,543	100%	961	4.3%	760	3.4%	20,822	92.4%		
Mutale	3,217	107%	169	5.3%	73	2.3%	69	2.1%	3119	97.0%
Thulamela										
Makhado	82,163	100%	12,363	15.0%	8,256	10.0%	2,630	3.2%	58,914	71.7%
Sub- Total	108,136	100%	13,493	12.5%	9,089	8.4%	23,521	21.8%	62,033	57.4%
Total: Limpopo	793,944	100%	74,204	9.3%	50,455	6.4%	50,492	6.4%	618,793	77.9%

The total outstanding debtors, which include current debtors for the seven municipalities in the Province as at 30 June 2008, amounts to R793,9 million.

Debt collection remains an area of concern to municipalities since R618,8 million or 79,9 per cent is outstanding for a period over 90 days, whilst according to section 96 of the Municipal Systems Act, Act 32 of 2000 as amended, Municipalities must collect all money due to them.

Creditors

Table: 8

Creditors Age Analysis (R'000)										
Municipality	Total		0 - 30 days		31 - 60 days		61 - 90 days		over 90 days	
Capricorn	7,320	100%	7320	100.0%	-	-	-	-	-	-
Aganang	3,838	100%	3,838	100.0%	-	-	-	-	-	-
Blouberg	2,920	100%	2,920	100.0%	-	-	-	-	-	-
Lepelle- Nkumpi	60	100%					60	100.0%		
Molemole	320	100%	320	100.0%						
Polokwane	22,809	100%	22,795	99.9%	-		10	-	4	0.0%
SUB-TOTAL	37,267	200%	37193	99.8%	-	0.0%	70	1	4	0.0%
Greater Sekhukhune										
Tubatse										
Marble Hall	577	100%	577	100.0%	-	-	-	-	-	-
Elias Motsoaledi										
Makhuduthamaga										
Fetakgomo	-	-	-	-	-	-	-	-	-	-
SUB-TOTAL	577	100%	577	100.0%	-	-	-	-	-	-
Mopani	-	-	-	-	-	-	-	-	-	-
Greater Tzaneen										
Greater Letaba	10,596	100%	10596							
Greater Giyani	1,960	100%	1,959	100.0%						
Ba-Phalaborwa	6,073	100%	5,489	100.0%	574		9		-	0.0%
Maruleng										
SUB-TOTAL	18,629	97%	18,044	96.9%	574	-	9	-	-	-
Waterberg	145	100%	145	100.0%						
Lephalale	2,205	100%	1,661	75.3%	371	16.8%	141	6.4%	32	1.5%
Modimolle	1,559	100%	1,559	100.0%						
Mogalakwena	15,008	100%	15,008	100.0%	-	-	-	-	-	-
Mookgopong	68	100%	34	51.0%	27	40.3%	6	8.7%		
Thabazimbi										
Bela-Bela										
SUB-TOTAL	18,985	100%	18,407	97.0%	398	2.1%	147	0.8%	32	0.2%
Vhembe										
Musina	47	100%	6	12.5%	5	11.1%	36	76.4%		
Mutale	293	100%	560	191.1%	338	115.4%	197	67.2%	378	
Thulamela										
Makhado	1,557	100%	1,557	100.0%	-	-	-	-	-	-
SUB-TOTAL	3,077	236%	2,123	69.0%	343	11.1%	233	1	378	12.3%
Total: Limpopo	78,532	100%	76,344	97.2%	1,315	1.7%	459	0.6%	414	0.5%

Creditors on the other hand indicates good performance, municipalities are maintaining their creditors very well. Table 8 above indicates the performance in age by all the municipalities which clearly indicates that creditors are paid within the 60 month period.

Cash flow

Table 9

Cash Flow (R'000)

Opening Balance	Add Receipts						
Municipality	Opening Cash Balance	External loan	Grants & Subsidies	Investment redeemed	Statutory Receipts	Other Receipts	Total
Capricorn	-	-	337,412	-	6,926	8,645	352,983
Aganang	-	-	41,388	-	-	5,210	46,598
Blouberg	-	-	43,696	-	-	19,146	62,842
Lepelle- Nkumpi	22,189		56,282			11,969	68,251
Molemole			31,083			6,855	37,938
Polokwane	166,715	-	838,531	890,000	81,076	661,200	2,470,807
SUB-TOTAL	188,904	-	1,348,392	890,000	-	713,025	3,039,419
Greater Sekhukhune							-
Tubatse							
Marble Hall	3,789	-	23,909	-	-	32,155	56,064
Elias Motsoaledi							
Makhuduthamaga							
Fetakgomo	10,174	-	-	4,202,550	1,196,053	3,899,336	9,297,939
SUB-TOTAL	13,963	-	23,909	4,202,550	1,196,053	3,931,491	9,354,003
Mopani	13,148	-	388,536	31,027	-	6,712	426,275
Greater Tzaneen	(22,296)						
Greater Letaba	5,063		70,628			19,539	90,167
Greater Giyani	(2,292)	-	61,570			16,230	77,800
Ba-Phalaborwa	-6,000	4,366	28,073	1,010	82,738	5548	121,735
Maruleng	847						
SUB-TOTAL	(11,530)	4,366	548,807	32,037	82,738	48,029	715,977
Waterberg	5,204	-	60,619	33,000	2,367	22,960	118,946
Lephalale	33,831	-	53,427	45,000	14	106,081	204,522
Modimolle	13,054		23,674			44,302	67,976
Mogalakwena	-	-	67,316	-	-	163,573	230,889
Mookgopong	5,194		12,480			43,987	56,467
Thabazimbi	1,374						
Bela-Bela	-						
SUB-TOTAL	58,657	-	217,516	78,000	2,381	380,903	678,800
Vhembe	382,003	-	498	-	-	38,321	38,819
Musina	1,019		16,497	8,640		75,089	100,226
Mutale	(2,752)	-	40,839	-	-	6,248	47,087
Thulamela	54,857						
Makhado	4,425	3,030	126,683	-	-	220,028	349,741
SUB-TOTAL	439,552	3,030	184,517	8,640	-	339,686	535,873
Total: Limpopo	689,546	7,396	2,323,141	5,211,227	1,281,172	5,413,134	14,324,072

Table: 9.1

Cash Flow (R'000)									
	Less: Payments								
Municipality	Salaries	Cash and Creditors	Capital Payments	Investments Made	External Loans	Statutory Payments	Other Payments	Total	Closing Balance
Capricorn	48,856	-	76,545	-	-	-	43,218	168,619	184,363
Aganang	15,189	8,540	17,664	-	-	-	211	41,604	4,994
Blouberg	25,163	15,026	21,105	-	-	-	-	61,294	1,548
Lepelle- Nkumpi	23,755	27,743	30,835					82,333	8,106
Molemole	13,674		542				7,671	21,887	16,051
Polokwane	213,685	470,755	536,709	1,010,000	7,384	36,992	22,669	2,298,194	339,328
SUB-TOTAL	340,322	522,064	683,400	1,010,000	7,384	36,992	73,769	2,673,931	554,390
Greater Sekhukhune									
Tubatse									
Marble Hall	23,237	6,331	4,143	-		575	17,729	52,015	7,837
Elias Motsoaledi									
Makhuduthamaga									
Fetakgomo	11,082	13,046	-	-	-	-	-	24,128	10,636
SUB-TOTAL	34,319	19,377	4,143	-	-	575	17,729	76,143	18,473
Mopani	28,669	403,172	194,334	50,000	-	-	165,227	841,402	(401,980)
Greater Tzaneen									
Greater Letaba	19,348		24,629		1,622		41,263	86,862	8,388
Greater Giyani	44,550	18,676	15,291				3,716	82,233	(6,726)
Ba-Phalaborwa	48,344	17,677	11,364	4,000		17,529	12,723	111,637	4,098
Maruleng									
SUB-TOTAL	140,911	439,525	245,618	54,000	1,622	17,529	222,929	1,122,134	(396,220)
Waterberg	23,136	15,417	28,203	38,000	-	-	10,603	115,359	8,792
Lephalale	45,055	155,778	26,840	-	1,570	-	-	229,243	9,109
Modimolle	47,242	14,368	417				15,830	77,857	3,173
Mogalakwena	86,647	-	-	-	-	-	107,498	194,145	36,743
Mookgopong	16,274	21,936	10,777				2,774	51,761	9,899
Thabazimbi									
Bela-Bela									
SUB-TOTAL	218,354	207,499	66,237	38,000	1,570	-	136,705	668,365	67,716
Vhembe	95,610		208,180				67,923	371,713	546,509
Musina	25,287	54,473	2,613	14,306	1,381		3,433	101,493	(249)
Mutale	21,194	4,877	5,081		584	5,017	274	37,027	7,307
Thulamela									
Makhado	93,752	49,750	31,858	-	1,098	1,598	114,480	292,536	61,629
SUB-TOTAL	235,843	109,100	247,732	14,306	3,063	6,615	186,110	802,769	615,196
Total: Limpopo	969,749	1,297,565	1,247,130	1,116,306	13,639	61,711	637,242	5,343,342	859,555

The overall cash flow position of municipalities shows fairly positive cash flow balances at the end of the quarter. However, it still remains a challenge for municipalities to report on the actual income and expenditure in the cash flow (CFA).

External Loans

During the quarter the report shows a downward adjustment of external loans from R28 million to R5 million, no reasons are evident to explain the adjustment.

Grants

Table:10

Grants								
	Receipts				Expenditure			
Municipality	Original Budget	Adjusted Budget	YTD	%	Original Budget	Adjusted Budget	YTD	%
Capricorn	360,854	360,854	334,256	92.6%	360,854	360,854	32,067	8.9%
Aganang	40,670	48,185	41,388	85.9%	40,670	48,185	41,604	86.3%
Blouberg	53,053	53,053	65,881	124.2%	53,053	53,053	34,157	64.4%
Lepelle- Nkumpi	62,447		56,282	90.1%	62,447		53,148	85.1%
Molemole	34561	34561	31083	89.9%	-	-	-	-
Polokwane	740,085	1,062,162	838,531	78.9%	740,085	1,062,162	621,046	58.5%
SUB-TOTAL	1,291,670	1,558,815	1,367,421	87.7%	1,257,109	1,558,815	1,367,421	87.7%
Greater Sekhukhune								
Tubatse								
Marble Hall	31,623	31,623	24,318	76.9%	31,805	31,805	14,803	46.5%
Elias Motsoaledi								
Makhuduthamaga								
Fetakgomo	-	-	-	-	-	-	-	-
SUB-TOTAL	31,623	31,623	24,318	76.9%	31,805	31,805	14,803	46.5%
Mopani	325,565	367,202	369,901	100.7%	325,565	367,202	258,762	70.5%
Greater Tzaneen								
Greater Letaba	68,447	68,447	70,628	103.2%	68,447	68,447	69,494	101.5%
Greater Giyani	99,950	68,977	65,268	94.6%	99,950	68,977	68,919	99.9%
Ba-Phalaborwa	60,639	60639	27,106	44.7%	60,639	60,639	21,457	35.4%
Maruleng								
SUB-TOTAL	554,601	565,265	532,903	94.3%	554,601	565,265	532,903	94.3%
Waterberg	-	-	-	-	-	-	-	-
Lephalale	-	-	-	-	-	-	-	-
Modimolle	37,134	37,134	31,515	84.9%	31,734	31,734	215	0.6%
Mogalakwena	178,266	216,505	92,889	42.9%	73,155	73,155	55,770	76.2%
Mookgopong	16,360	16,360	9,040	55.3%	16,360	16,360	9,864	60.3%
Thabazimbi								
Bela-Bela								
SUB-TOTAL	231,760	269,999	133,444	49.4%	121,249	121,249	65,849	54.3%
Vhembe	564,996	611,849	498,889	81.5%	564,996	611,849	370,624	60.6%
Musina	15,279	15,279	15,213	99.6%	15,279	15,279	14,984	98.1%
Mutale	21,926	31,653	41,262	130.4%	2,230	11,957	477	4.0%
Thulamela								
Makhado	85,803	126,033	126,033	100.0%	85,803	85,803	124,537	145.1%
SUB-TOTAL	688,004	784,814	681,397	86.8%	668,308	724,888	510,622	70.4%
Total: Limpopo	2,797,658	3,210,516	2,739,483	85.3%	2,633,072	3,002,022	2,491,598	83.0%

Most municipalities are dependant on grants for their operations as seen in table 10 above. Three municipalities are reporting to have spent below par, these are Greater Sekhukhune and Waterberg district municipalities at 46.5 and 54.3 per cent respectively.

The fourth quarter performances of the individual items are as follows:

Capital Revenue and Expenditure

Description	Original Budget	Adjusted Budget	Actuals Q4	Variance Q4	% of Actual/Adj Budget
CAPITAL EXPENDITURE					
Water	169,463	28,430	42,097	(13,667)	148.1%
Electricity	30,439	14,720	6,636	8,084	45.1%
Housing	0	603	36	567	6.0%
Roads, Pavements, Bridges & Storm Water	150,234	50,439	32,581	17,858	64.6%
Other	137,175	59,007	40,049	18,958	67.9%
Total Capital Expenditure	487,310	153,199	121,399	31,800	79.2%
SOURCE OF FINANCE					
External Loans	28,057	5,900		5,900	
Internal Contributions	83,800	22,662	3,891	18,771	17.2%
Grants and Subsidies	293,345	53,552	90,504	(36,952)	169.0%
Other	82,108	71,085	20,108	50,977	28.3%
Total Financing	487,310	153,199	114,503	38,696	74.7%

Operating Revenue and Expenditure by Function - Water

Description	Water				
	Original Budget	Adjusted Budget	Actuals Q4	Variance Q4	% of Actual/Adj Budget
OPERATING REVENUE					
Service Charges	63,963	20,028	29,460	(9,432)	147.1%
Grants & Subsidies Received	101,154	13,917	30,860	(16,943)	221.7%
Other Revenue	3,944	620	6,735	(6,115)	1087.0%
Total Operating Revenue Generated	169,060	34,564	67,055	(32,491)	194.0%
OPERATING EXPENDITURE					
Employee Related Costs	42,038	7,282	7,690	(408)	105.6%
Provision for Working Capital	4,016	555	1,407	(852)	253.4%
Repairs and Maintenance	4,103	3,999	12,236	(8,237)	306.0%
Bulk Purchases	60,371	9,578	2,168	7,410	22.6%
Other Expenses	23,865	22,870	30,457	(7,587)	133.2%
Total Direct Operating Expenditure	134,393	44,284	53,958	(9,674)	121.8%

Operating Revenue and Expenditure

Description	Original Budget	Adjusted Budget	Actuals Q4	Variance Q4	% of Actual/Adj Budget
OPERATING REVENUE					
Property rates	53,788	26,090	11,740	14,350	45.0%
Service Charges	63,414	55,523	28,496	27,027	51.3%
Regional Service Levies	2,642	0	7,443	(7,443)	
Other Revenue	554,114	167,066	113,374	53,692	67.9%
Total Operating Revenue Generated	673,957	248,679	161,053	87,626	64.8%
OPERATING EXPENDITURE					
Employee Related Costs	272,622	93,398	63,092	30,306	67.6%
Provision for Working Capital	19,554	2,313	207,624	(205,311)	8978.1%
Repairs and Maintenance	28,227	17,605	8,135	9,470	46.2%
Bulk Purchases	95,213	27,068	12,290	14,778	45.4%
Other Expenses	248,352	106,722	94,566	12,156	88.6%
Total Direct Operating Expenditure	663,968	247,105	385,707	(138,602)	156.1%

Operating Revenue and Expenditure by Function - Electricity

Description	Electricity				
	Original Budget	Adjusted Budget	Actuals Q4	Varinace Q4	% of Actual/A dj Budget
OPERATING REVENUE					
Service Charges	59,781	29,711	23,345	6,366	78.6%
Grants & Subsidies Received	1,600	2,253	0	2,253	
Other Revenue	2,859	390	1,521	(1,131)	390.0%
Total Operating Revenue Generated	64,240	32,354	24,866	7,488	76.9%
OPERATING EXPENDITURE					
Employee Related Costs	9,163	4,467	4,001	466	89.6%
Provision for Working Capital	3,235	6,000	1,831	4,169	30.5%
Repairs and Maintenance	4,217	1,669	2,580	(911)	154.6%
Bulk Purchases	34,842	17,490	8,129	9,361	46.5%
Other Expenses	17,636	5,784	3,732	2,052	64.5%
Total Direct Operating Expenditure	69,092	35,409	20,273	15,136	57.3%

Cash Receipts and Payments

Description	Original Budget	Adjusted Budget	Actuals Q4	Variance Q4	%
Opening Cash Balance	32,599	5,063	314,748	(309,685)	6216.8%
Add : Receipts	1,162,256	308,592	227,213	81,379	73.6%
- External loans received	28,057	5,900	13,183	(7,283)	223.4%
- Grants and subsidies	559,340	177,547	64,065	113,482	36.1%
- Investments redeemed	0	0	57,132	(57,132)	
- Statutory Receipts (incl VAT)	171,624	0	45,265	(45,265)	
- Other Receipts	258,700	125,145	55,601	69,544	44.4%
Less : Payments	1,145,920	307,018	913,259	(606,241)	297.5
- Salaries, wages and allowances	272,625	93,230	82,447	10,783	88.4%
- Cash and creditor payments	159,515	86,526	71,873	14,653	83.1%
- Capital payments	470,090	82,114	117,587	(35,473)	143.2%
- Investments made	0	0	15,000	(15,000)	
- External loans repaid	2,282	2,163	3,076	(913)	142.2%
- Statutory Payments (incl VAT)	38,446	0	7,271	(7,271)	
- Other Payments	202,962	42,984	47,349	(4,365)	110.2%
			-		-
Closing Balance	48,934	6,637	371,298	377,935	5594.4%

Grants

Description	Original Budget	Adjusted Budget	Actuals Q4	Variance Q4	%
Grants Receipts					
1 National	472,329	105,932	33,606	72,326	31.7%
2 Provincial	18,500	0		0	
3 Other grants	39,781	10,700	19,113	(8,413)	178.6%
Total	530,610	116,632	52,719	63,913	45.2%
Expenditure					
1 National	472,329	105,932	59,046	46,886	0.557396
2 Provincial	18,500	0	0	0	
3 Other grants	39,781	10,700	3,836	6,864	0.358505
Total	530,610	116,632	62,882	53,750	0.539149

Creditors Age Analysis

Description	0 - 30 Days		Over 90 days	
	Amount	%	Amount	%
Bulk Electricity	253	1.4%		
Bulk Water	343	2.0%		
PAYE deductions	952	5.5%		
VAT (output less input)	3,538	20.3%		
Pensions / Retirement	360	2.1%		
Loan repayments	541	3.1%		
Trade Creditors	2,102	12.0%		
Auditor General	196	1.1%		
Other	9,185	52.6%		
	17,469	100.0%		

Debtors Age Analysis

Description	0 - 30 days		Over 90 days	
	Amount	%	Amount	%
Water	4,120	40.3%	38,800	25.3%
Electricity	1,001	9.8%	2,752	1.8%
Property Rates	2,434	23.8%	29,182	19.0%
RSC Levies	5	0.0%	2,943	1.9%
Other	2,670	26.1%	79,668	52.0%
Total	10,229	100.0%	153,346	100.0%

HEAD OFFICIAL: PROVINCIAL TREASURY

DATE: 21 JULY 2008