

F1/5/2

Umar Banda (358 8110)

REVENUE, EXPENDITURE AND PERFORMANCE COMMITTEE: 14 JANUARY 2016

MAYORAL COMMITTEE: 20 JANUARY 2016

**TO: CITY MANAGER
EXECUTIVE MAYOR**

SUBMISSION

GROUP FINANCIAL SERVICES DEPARTMENT:

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): IN-YEAR FINANCIAL REPORT:

- (1) MONTHLY AND SECOND QUARTER BUDGET STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2015; AND**
- (2) MID-YEAR BUDGET ASSESSMENT**

1. PURPOSE

The purpose of this report is:

- to seek approval of the mid-term financial performance for the period ending 31 December 2015; and
- to comply with Sections 52(d), 71 and 72 of the MFMA and Municipal Budget and Reporting Regulations.

2. STRATEGIC OBJECTIVE

(Unaltered)

“To improve financial sustainability”

3. BACKGROUND

Section 52(d), 71 of the MFMA and the Municipal Budget and Reporting Regulations necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

(Unaltered)

“The mayor of a municipality-

52(d) must, within 30 days of the end of each quarter, submit a report to Council on the implementation of the budget and the financial state of the municipality;”

“71(1) 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 treasury a statement in the prescribed format on the state of the municipality’s budget ...”

“28. The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.”

In compliance to section 52(d) relating to the reporting period ending 31 December 2015, the 30 days limit expires on **30 January 2016**.

The ten working day reporting limit in compliance to section 71(1) relating to the reporting period ending 31 December 2015 expires on **15 January 2016**.

Further, Regulation 31(1) of the Government Gazette No 32141 of 17 April 2009 prescribes the following:

(Unaltered)

“31.(1)The mayor’s quarterly report on the implementation of the budget and financial state of affairs of the municipality as required by section 52(d) of the Act must be –

- (a) in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act;
- (b) consistent with the monthly budget statement for September, December, March and June as applicable; and
- (c) **submitted to the National Treasury and the relevant Provincial Treasury within five days of tabling of the report in the council.**”

In addition, Section 72 of the MFMA which relates to the mid-year budget and performance assessment, requires that the Accounting Officer of the Municipality must by **25 January** of each year, submit a report to the Executive Mayor, National Treasury and Provincial Treasury, assessing the performance of the municipality during the first half of the financial year, and as part of the review, make recommendations as to whether an adjustments budget is necessary, and recommend revised projections for revenue and expenditure to the extent that it may be necessary.

4. DISCUSSION

On 28 May 2015 Council approved the 2015/16 Medium-term Revenue and Expenditure Framework for the City of Tshwane. The budget was uploaded onto SAP (Accounting System utilised by the municipality) and locked as required by regulation.

The attached report provides a high level analysis as at 31 December 2015 in the format legislated as set out in the “In-year” report (Annexure A) herewith attached. Material variances will be briefly referred to in this report. Detailed material variances will be contained in the monthly “Corporate Financial” report.

4.1 Executive Summary

The total consolidated Operating Revenue Budget of the CoT amounts to R26 296m and the Operating Expenditure Budget equates to R25 711m for the 2015/16 financial year. A surplus of R585m is planned.

The summary table below indicates the financial performance for the period from 1 July 2015 to 31 December 2015. The actual operating revenue realised (excluding Capital Transfers) amounts to R13 639m, a variance of R474m or 3,6% against YTD Budget. The operating expenditure amounts to R13 226m, a variance of R196m or 1,5% against YTD Budget. A surplus variance of R277m is reflected when YTD Actual is compared against the YTD Budgeted surplus.

Summary Statement of Financial Performance:				
Description	December YTD Budget	December YTD Actual	Variance	Variance
	R'000	R'000	R'000	%
Total Revenue By Source (Excluding Capital Transfers)	13,165,385	13,638,983	473,598	3.6%
Total Operating Expenditure	13,029,769	13,225,877	196,107	1.5%
SURPLUS/DEFICIT	135,616	413,106	277,490	

The main operating revenue variance against budget projection indicated in Table C4 of Annexure A herewith attached, is:

- Transfers recognised – operational (R697m favourable) – The non-alignment of projections to the National Treasury payment schedule, which is only available after the approval of the MTREF, resulted in this variance. The major transfer allocations, amongst others, received as published in the National Treasury payment schedule, are:
 - Local Government Equitable Share transfers of R689m and R551m received on 6 July 2015 and 27 November 2015, respectively; and
 - Equitable Share Fuel Levy transfers of R465m each received on 9 August 2015 and 9 December 2015, respectively.
- Interest earned – outstanding debtors (R93m favourable) – An increase in arrear debtors resulting in higher interest earned on the line-item “Interest on Amounts in Arrear”.
- Fines (R34m favourable) – Transactions for the previous months relating to AARTO transactions have been captured. However, "Impairment: AARTO" expenditure against a 15% recovery rate still needs to be deducted, which is normally done at year-end.

- Service charges – other (R23m favourable) – An increase in “Reconnection Fees” collected.
- Service charges – electricity revenue (R281m unfavourable) and Service charges – water revenue (R39m unfavourable).

The expenditure variance is explained by:

- Bulk Purchases (R681m unfavourable) - “Bulk: Electricity” and “Bulk: Water” are the main contributors to this variance.
- Contracted services (R446m unfavourable) – The main line-items contributing to the variance are:
 - Prepaid Commission (R419m) – Provision was not made for this expenditure in the 2015/16 financial year MTREF, which will be addressed in the 2015/16 Adjustments Budget.
 - Household Refuse Removal: Private Sector (R66m) – The Service Delivery and Transformation Management Department has indicated that the service was under-funded and a request for additional funding was submitted.
- Debt impairment (R338m favourable)
 - Bad Debt Written Off (R400m) - Actual expenditure can only be effected on obtaining Council approval upon submission of a report.
- Other expenditure (R233m favourable) – Some of the line-items that contribute to the variance are:
 - Vehicles (R57m) – The delay in the finalisation of the Supply Chain Management processes for Corporate Fleet Management contributed to the variance.
 - Post-Employment Medical Expense (R54m) – Provision on this line-item can only be administered during the year-end process.
 - Post-Employment Pension Expense (R46m) – Provision on this line-item can only be processed at year-end.
 - Rental: Plant And Equipment (R25m) – The Corporate and Shared Services Department has indicated that this is not a pro-rata expenditure item and funds are being stringently managed.
 - Drug and Substance Abuse (R23m) – The Health and Social Services Department cited that the expenditure is not pro-rata based, but procurement is done as and when the need arise.

- Employee related costs (R186m favourable) – Mainly due to the existence of vacancies and the accrual provision in terms of GRAP 19 and the rectification to an audit finding.

Below is the table reflecting the Cash Flow position as contained in the regulated C Schedule submitted to National Treasury.

TSH City Of Tshwane - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges		4,883,326	4,817,476	426,028	2,589,631	2,408,738	180,893	8%	4,817,476
Service charges		13,293,833	14,588,169	1,166,988	7,672,155	7,294,084	378,071	5%	14,588,169
Other revenue		1,436,034	1,178,291	88,844	620,767	590,587	30,180	5%	1,178,291
Government - operating		3,081,485	3,666,857	477,909	2,500,323	1,843,459	656,864	36%	3,666,857
Government - capital		2,596,235	2,453,160	532,221	1,149,967	1,059,008	90,959	9%	2,453,160
Interest		412,573	193,141	36,521	222,163	95,627	126,536	132%	193,141
Payments									
Suppliers and employees		(21,719,690)	(21,907,225)	(2,035,609)	(13,667,137)	(10,970,950)	2,696,187	-25%	(21,907,225)
Finance charges		(997,465)	(1,029,556)	(203,300)	(527,036)	(514,785)	12,251	-2%	(1,029,556)
Transfers and Grants		(25,600)	(259,298)	(13,374)	(55,828)	(129,649)	(73,821)	57%	(259,298)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2,960,731	3,701,015	476,229	505,006	1,676,120	1,171,114	70%	3,701,015
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		197,706	–	1,889	42,534	–	42,534		–
Decrease (Increase) in non-current debtors		70,512	–	46,620	385,492	–	385,492		–
Decrease (increase) other non-current receivables		(269,436)	48,553	(20,490)	134,165	24,277	109,888	453%	48,553
Decrease (increase) in non-current investments		(156,583)	56,007	25	(21,487)	28,004	(49,490)	-177%	56,007
Payments									
Capital assets		(4,114,918)	(3,783,366)	(356,854)	(1,454,954)	(1,633,865)	(178,911)	11%	(3,783,366)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(4,272,719)	(3,678,806)	(328,810)	(914,251)	(1,581,585)	(667,335)	42%	(3,678,806)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		–	–	825,000	4,050,000	–	4,050,000	#DIV/0!	–
Borrowing long term/refinancing		1,500,000	1,200,000	–	–	–	–		1,200,000
Increase (decrease) in consumer deposits		55,733	8,565	2,351	11,990	4,283	7,707	180%	8,565
Payments									
Repayment of borrowing		(491,042)	(560,350)	(892,606)	(3,555,258)	(280,175)	3,275,083	-1169%	(560,350)
NET CASH FROM/(USED) FINANCING ACTIVITIES		1,064,691	648,215	(65,254)	506,732	(275,892)	(782,624)	284%	648,215
NET INCREASE/ (DECREASE) IN CASH HELD		(247,298)	670,424	82,165	97,487	(181,357)			670,424
Cash/cash equivalents at beginning:		847,816	1,203,476		600,518	1,203,476			600,518
Cash/cash equivalents at month/year end:		600,518	1,873,900		698,006	1,022,119			1,270,943

The Cash Flow report above for 31 December 2015 indicates that:

- The cash and cash equivalents closing balance as at the end of December 2015 is R698m.
- Cash flow from operating activities is R505m compared to the target of R1 676m.
- Cash flow from investing activities amounts to (R914m), compared to a target of (R1 581m).
- Cash flow from financing activities equates to R507m compared to a target of (R276m).

Capital expenditure

The summary table hereafter indicates actual year-to-date spending of R1 455m and a variance of R179m or 10,9% against YTD Budget.

Summary statement of Capital Expenditure:				
Description	December YTD Budget	December YTD Actual	Variance	Variance
	R'000	R'000	R'000	%
TOTAL Capital Expenditure	1,633,690	1,454,954	(178,736)	-10.9%
TOTAL Capital Financing	1,633,690	1,454,954	(178,736)	-10.9%

The main departments contributing to the most substantial variance of the year-to-date capital expenditure, compared to the departmental Service Delivery Budget Implementation Plan (SDBIP) targets for the municipal vote as indicated in Table C5 are:

- Office of the City Manager (R47m) – The delay in the implementation of “Tsosoloso Programme”.
- Transport (R43m) – The "Doubling of Simon Vermooten" project attributed to the transfer of additional funds to the project. The Department has indicated that no corrective measures will be required and expenditure will soon be on par with cash-flow predictions.
- Other Votes: Sports and Recreation (R31m) – The "Upgrade Refilwe Stadium" project has been halted. The Sports and Recreation Department has indicated that legal intervention is in progress.
- Environmental Management (R31m) – The "Development of Parks and Traffic Islands (Backlog & New)" project ascribed to delays in supply chain processes as a result of newly introduced ways of sourcing quotations from service providers.
- Economic Development (R8m) – The "Redevelopment of Caledonian" project is the main contributor due to delay in SCM processes. The Department is awaiting EAC recommendations on possible appointment of a contractor.
- City Planning (R11m) - The "Business Process Outsourcing Park in Hammanskraal" project due to delays in SCM processes. The Department indicated that the report was referred back to the Bid Evaluation Committee (BEC) for re-evaluation.

The reasons for variances per Department (Vote) are captured in Table SC1 of this report.

Table SC12 provides an analysis of actual capital expenditure compared to the budget targets, on a monthly and year-to-date basis. Expenditure for the period ending 31 December 2015 amounts to R1 455m against the projection of R1 634m, a variance of R179m or 10,9% is reflected. The total percentage spent against the total original budget amounts to 37,7%.

Charts C1 and C2 below illustrate the trend of the capital expenditure against budget per month and the YTD actual against the YTD target.

Chart C1: 2015/16 Capital Expenditure

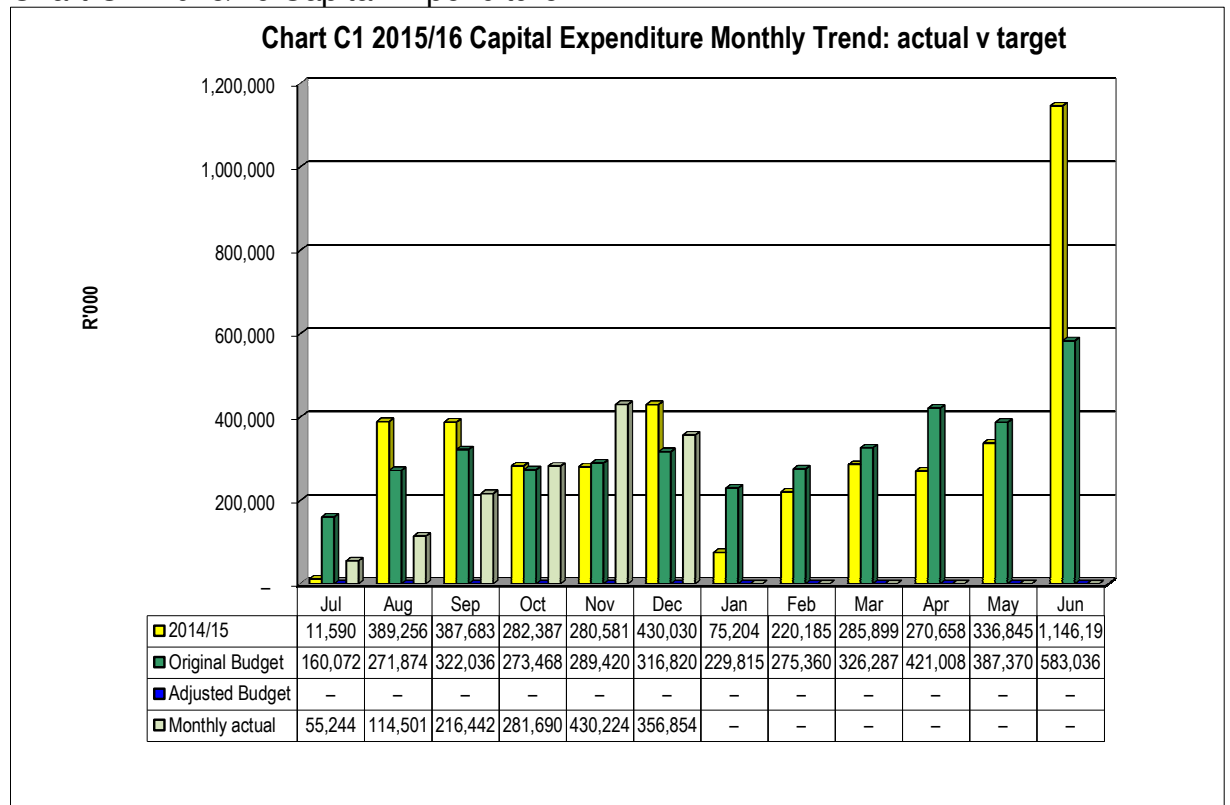
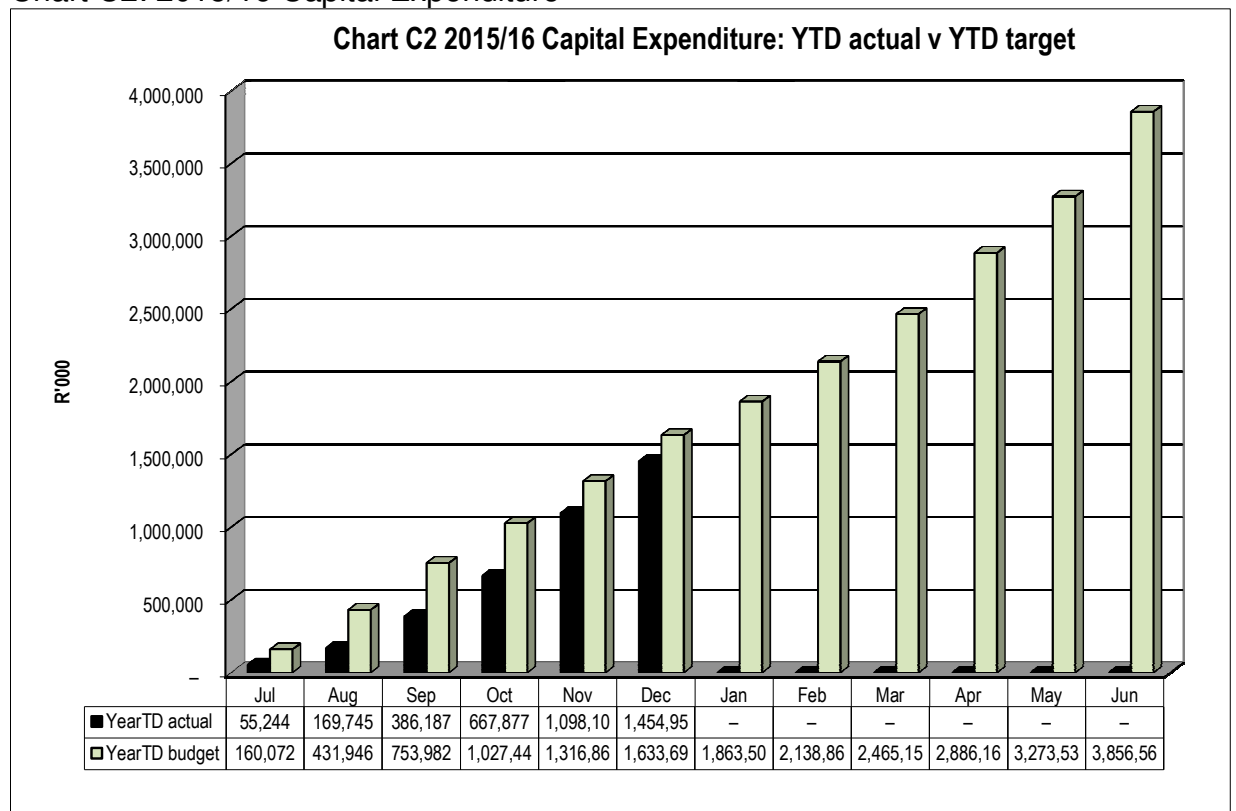


Chart C2: 2015/16 Capital Expenditure



5. INTERDEPARTMENTAL AND CLUSTER IMPACT

None

6. COMMENTS OF THE GROUP LEGAL COUNSEL

The abovementioned report as such does not call for legal clarification.

7. IMPLICATIONS

- Human Resources

Not applicable.

- Finances (budget and value for money)

This report incorporates the financial status for the period ended 31 December 2015. Upon receipt of the statement or report submitted by the Accounting Officer to the Executive Mayor in terms of Section 71 of the MFMA, the Executive Mayor is obliged to take certain steps with regard to “budgetary control and early identification of financial problems” as determined in Section 54 of the MFMA. Furthermore, the Accounting Officer of the Municipality must report in writing to the Municipal Council with regard to impending shortfalls, overspending, and overdrafts in terms of Section 70 of the MFMA.

- Constitution and legal factors

The implication of approval of this report is compliance to legislative requirements (Sections 52(d), 71 and 72 of the MFMA) and NT regulations GG 32141 of 17 April 2009.

- Communication

In compliance to legislative requirements (Sections 71 and 72 of the MFMA) this document is provided to all stakeholders by placing it on the Tshwane Public website.

- Previous Mayoral Committee Resolutions

Not applicable.

CONCLUSION

(a) This report meets the National Treasury regulated requirements as published in Government Gazette no. 32141 of 17 April 2009 and Section 52(d), 71 and 72 of the MFMA.

(b) The mid-year budget assessment indicates that revenue and expenditure has not occurred as planned, therefore in-line with section 72(b) the adjustments budget is necessary.

ANNEXURES:

Annexure A – “In-year” report in terms of GG 32141 of 17 April 2009.

RECOMMENDED

- (1) That, in compliance with, Section 52(d) and Section 71 of the MFMA and in terms of the Municipal Budget and Reporting Regulations the financial results regarding the operating and capital budgets for the period 1 July 2015 to 31 December 2015 of the 2015/16 financial year, and supporting documents as required by National Treasury (Schedule C) be considered by the Executive Mayor and be approved by Council.
- (2) In order to comply with Section 31(1) of the Government Gazette No 32141 of 17 April 2009 this report be submitted to the National Treasury and the relevant Provincial Treasury **within five (5) days** of tabling of the report in the council, in both a Council approved document and in electronic format.
- (3) That, in compliance to Section 72 of the MFMA, the 'In-year' report also serves as the mid-year budget review for the period ending 31 December 2015.
- (4) That an Adjustments Budget for the 2015/16 financial year is justified, based on the following necessities:
 - (a) To adjust operating revenue sources in-line with performance trends;
 - (b) To accommodate GRAP related provisions;
 - (c) To authorise the utilisation of projected savings in one vote towards spending under another vote; and
 - (d) To facilitate the inclusion of additional/rollover grant funding and the removal of retracted grant funding.

INITIATOR: **Umar Banda (358-8110) / NM Mokete (358-3625)**

HEADING (INCLUSIVE OF NAME OF DIVISION/DEPARTMENT):

GROUP FINANCIAL SERVICES DEPARTMENT

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): IN-YEAR FINANCIAL REPORT:

(1) **MONTHLY AND SECOND QUARTER BUDGET STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2015; AND**

(2) **MID-YEAR BUDGET ASSESSMENT**

REPORT CHECKED AND PASSED FOR SUBMISSION TO: MAYORAL COMMITTEE: 20 JANUARY 2016

	COMPREHENSIVENESS (FACTS, COMMENTS, RECOMMENDATIONS ANNEXURES) (√)	CORRECTNESS (√)	QUALITY (√)
EXECUTIVE DIRECTOR: BUDGET OFFICE NM MOKETE WARD-SPECIFIC : YES <input type="checkbox"/> NO <input type="checkbox"/> WARD COUNCILLOR COMMENTS: YES <input type="checkbox"/> NO <input type="checkbox"/> SIGNATURE: DATE:			
ACTING EXECUTIVE DIRECTOR: FINANCIAL REPORTING & ASSETS T NGWENYA WARD-SPECIFIC : YES <input type="checkbox"/> NO <input type="checkbox"/> WARD COUNCILLOR COMMENTS: YES <input type="checkbox"/> NO <input type="checkbox"/> SIGNATURE: DATE:			
ACTING EXECUTIVE DIRECTOR: TREASURY OFFICE DL MASIMINI WARD-SPECIFIC : YES <input type="checkbox"/> NO <input type="checkbox"/> WARD COUNCILLOR COMMENTS: YES <input type="checkbox"/> NO <input type="checkbox"/> SIGNATURE: DATE:			
ACTING EXECUTIVE DIRECTOR: REVENUE MANAGEMENT: KC THIPE WARD-SPECIFIC : YES <input type="checkbox"/> NO <input type="checkbox"/> WARD COUNCILLOR COMMENTS: YES <input type="checkbox"/> NO <input type="checkbox"/> SIGNATURE: DATE:			
HEAD OF DEPARTMENT: ACTING CHIEF FINANCIAL OFFICER – U BANDA REPORT ALSO BEARS APPROVAL OF : CM <input type="checkbox"/> SIGNATURE: DATE:			
MMC: FINANCE DOROTHY MABILETSA REPORT ALSO BEARS APPROVAL FOR LATE SUBMISSION: YES <input type="checkbox"/> NO <input type="checkbox"/> SIGNATURE: DATE:			



IN-YEAR REPORT

BUDGET YEAR: 2015/16

REPORTING PERIOD: M06 DECEMBER 2015

Table of Contents

PART 1 – IN-YEAR REPORT	13
1.1 MAYOR'S REPORT	13
1.2 RESOLUTIONS	13
1.3 EXECUTIVE SUMMARY	13
1.4 IN-YEAR BUDGET STATEMENT TABLES	16
(a) Table C1: Consolidated Monthly Budget Statement – Summary.....	17
(b) Table C2: Consolidated Monthly Budget Statement – Financial Performance (standard Classification)	18
(c) Table C3: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure by Municipal vote)	19
(d) Table C4: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure)	20
(e) Table C5: Consolidated Monthly Budget Statement – Capital Expenditure by vote, standard classification and funding	21
(f) Table C6: Consolidated Monthly Budget Statement – Financial Position.....	22
(g) Table C7: Consolidated Monthly Budget Statement – Cash Flow	23
PART 2 – SUPPORTING DOCUMENTATION	24
(a) Table SC1: Material variance explanations.....	24
(b) Table SC2: Monthly Budget Statement – Performance Indicators	26
(c) Table SC3: Monthly Budget Statement – Aged Debtors.....	27
(d) Table SC4: Monthly Budget Statement – Aged Creditors.....	29
(e) Table SC5: Monthly Budget Statement – Investment Portfolio	30
(f) Table SC6: Monthly Budget Statement – Transfers and grant receipts.....	31
(g) Table SC7(1): Monthly Budget Statement – Transfers and grant expenditures	32
(h) Table SC7(2): Monthly Budget Statement – Expenditure against approved rollovers.....	33
(i) Table SC8: Monthly Budget Statement – Councillor and Staff Benefits	34
(j) Table SC9: Monthly Budget Statement – Actual and Revised targets for cash receipts	35
(k) Table SC10: Monthly Budget Statement – Parent Municipality Financial Performance (Revenue and Expenditure)	36
(l) Table SC11: Monthly Budget Statement – Summary of Municipal Entities	37
(m) Table SC12: Consolidated Monthly Budget Statement – Capital Expenditure Trend.....	38
(n) Table SC13a: Consolidated Monthly Budget Statement – Capital expenditure on new assets by asset class.....	39
(o) Table SC13b: Consolidated Monthly Budget Statement – Capital expenditure on renewal of existing assets by asset class	40
(p) Table SC13c: Consolidated Monthly Budget Statement – Capital expenditure on repairs and maintenance by asset class	41
(q) Table SC13d: Consolidated Monthly Budget Statement - Depreciation by asset class	42
(r) Municipal manager's quality certification.....	43

PART 1 – IN-YEAR REPORT

1.1 MAYOR’S REPORT

On 28 May 2015 Council approved the MTREF for the 2015/16 financial year which gives effect to the financial plan of the City of Tshwane (CoT). The budget has been uploaded onto SAP (Accounting System utilised by the municipality) and locked as required by regulation.

The CoT advocates the efforts of National Treasury by adhering to the Municipal Budget and Reporting Regulations that is designed to achieve a range of objectives, including improving the local government sphere’s ability to deliver services by facilitating improved financial sustainability and better medium term planning.

The CoT ultimately aims to act in accordance with the principles of good governance, transparency and stewardship of public resources.

1.2 RESOLUTIONS

- That, in compliance with, Section 52(d) and Section 71 of the MFMA and in terms of the Municipal Budget and Reporting Regulations the financial results regarding the operating and capital budgets for the period 1 July 2015 to 31 December 2015 of the 2015/16 financial year, and supporting documents as required by National Treasury (Schedule C) be considered by the Executive Mayor and be approved by Council.
- In order to comply with Section 31(1) of the Government Gazette No 32141 of 17 April 2009 this report be submitted to the National Treasury and the relevant Provincial Treasury **within five (5) days** of tabling of the report in the council, in both a Council approved document and in electronic format.
- That, in compliance to Section 72 of the MFMA, the ‘In-year’ report also serves as the mid-year budget review for the period ending 31 December 2015.
- That an Adjustments Budget for the 2015/16 financial year is justified, based on the following necessities:
 - To adjust operating revenue sources in-line with performance trends;
 - To accommodate GRAP related provisions;
 - To authorise the utilisation of projected savings in one vote towards spending under another vote; and
 - To facilitate the inclusion of additional/rollover grant funding and the removal of retracted grant funding.

1.3 EXECUTIVE SUMMARY

The total consolidated Operating Revenue Budget of the City of Tshwane amounts to R26 296m and the Operating Expenditure Budget equates to R25 711m for the 2015/16 financial year. A surplus of R585m is planned.

The Statement of Financial Performance shown in Table C1 of this report is prepared on a basis similar to the prescribed budget format by National Treasury, detailing revenue by source type and expenditure by input type.

The summary table below indicates the financial performance measurement for the period ended 1 July 2015 to 31 December 2015. The actual operating revenue realised (excluding Capital Transfers) amounts to R13 639m, a variance of R474m or 3,6% against YTD Budget. The operating expenditure amounts to R13 226m, a variance of R196m or 1,5% against YTD Budget. A surplus variance of R277m is reflected when YTD Actual is compared against the YTD Budget.

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Description	December YTD Budget	December YTD Actual	Variance	Variance
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Total Revenue By Source (Excluding Capital Transfers)	13,165,385	13,638,983	473,598	3.6%
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The revenue variance is explained by:

- Transfers recognised – operational (R697m favourable)
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- Service charges – other (R23m favourable)
- Fines (R34m favourable)
- Service charges – electricity revenue (R281m unfavourable)
- Service charges – water revenue (R39m unfavourable)

The expenditure variance is explained by:

- Bulk purchases (R681m unfavourable)
- Contracted services (R446m unfavourable)
- Debt impairment (R338m favourable)
- Other expenditure (R233m favourable)

The reasons for variances per source/type group are captured in Table SC1 of this report.

The Capital expenditure report shown in Table C5 of this report has been prepared on the basis of the format required to be lodged electronically with National Treasury, and is categorised by municipal vote. The summary table hereafter indicates actual year-to-date spending of R1 455m and a variance of R179m or 10,9% against YTD Budget.

Summary statement of Capital Expenditure:				
Description	December YTD Budget	December YTD Actual	Variance	Variance
	R'000	R'000	R'000	%
TOTAL Capital Expenditure	1,633,690	1,454,954	(178,736)	-10.9%
TOTAL Capital Financing	1,633,690	1,454,954	(178,736)	-10.9%

The main departments contributing to the variance of the year-to-date capital expenditure, compared to the departmental Service Delivery Budget Implementation Plan (SDBIP) targets for the municipal vote as indicated in Table C5 are:

- Office of the City Manager (R47m)
- Transport (R43m)
- Other Votes: Sport and Recreation (R31m)
- Environmental Management (R31m)

The reasons for variances per Department (Vote) are captured in Table SC1 of this report.

Table SC12 provides an analysis of actual capital expenditure compared to the budget targets, on a monthly and year-to-date basis. Expenditure for the period ending 31 December, 2015 amounts to R1 455m against the projection of R1 634m, a variance of 10,9% is reflected. The total percentage expenditure is 37,7% against the total original budget.

Charts C1 and C2 below illustrate the trend of the capital expenditure against budget per month and the YTD actual against the YTD target.

Chart C1: 2015/16 Capital Expenditure

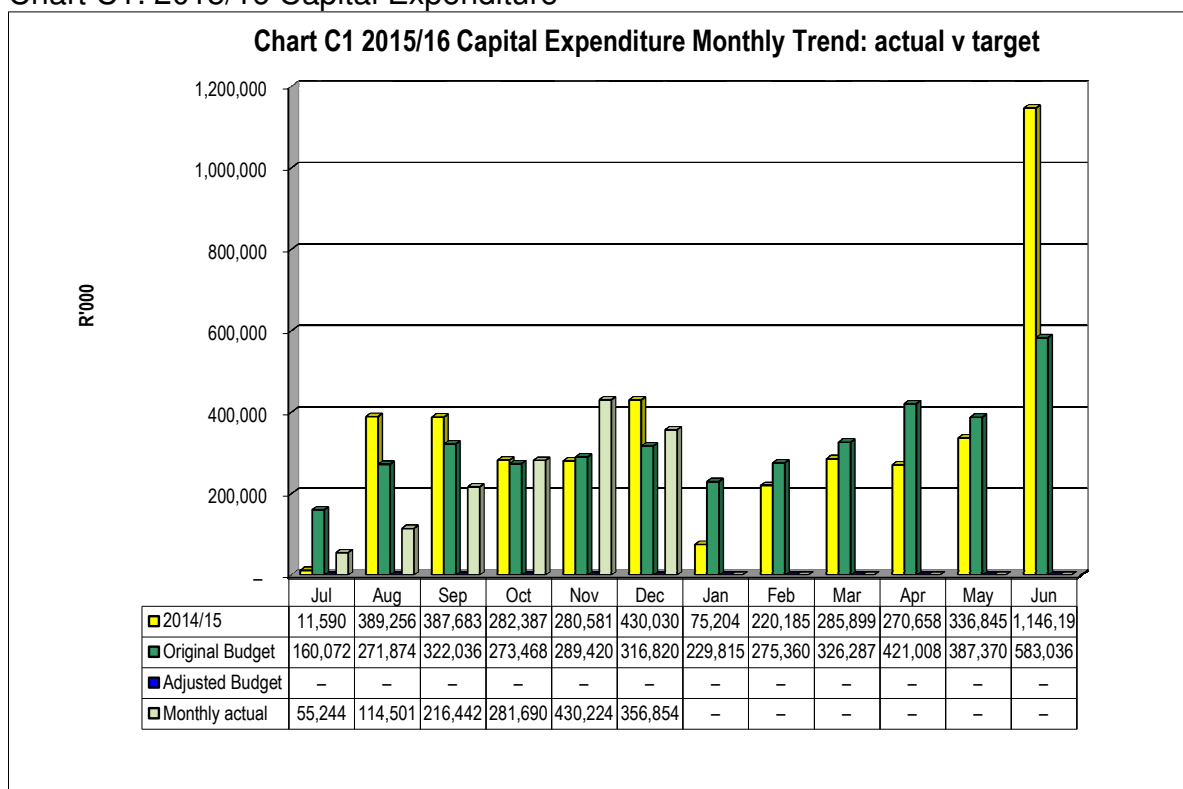
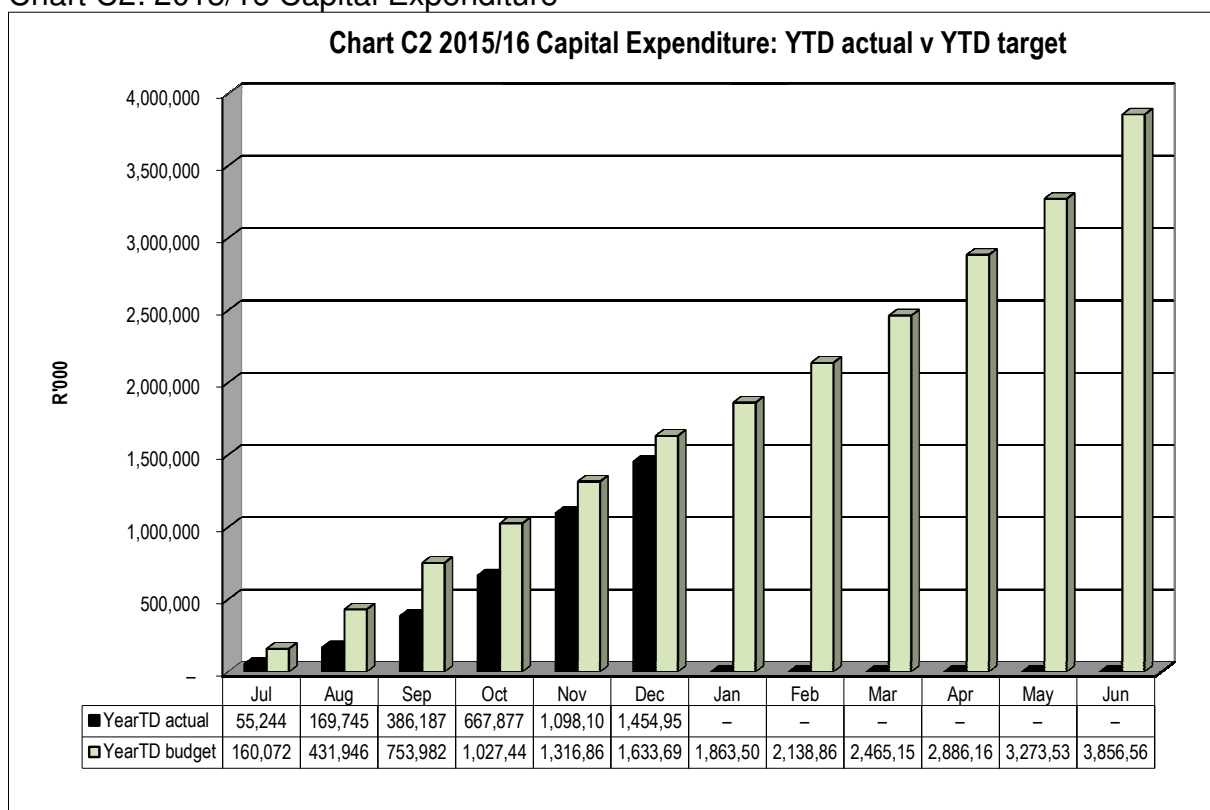


Chart C2: 2015/16 Capital Expenditure



On 9 March 2015, National Treasury published MFMA Circular No. 75 to provide guidance to municipalities and municipal entities in the preparation of the 2015/16 Budgets and Medium Term Revenue and Expenditure Framework (MTREF) which must be read together with all previous MFMA Budget Circulars.

The circular reiterates and urges all municipalities to implement cost containment measures and eliminate non-priority spending with specific reference to MFMA Circular 70 on examples of non-priority expenditure that must be eliminated.

1.4 IN-YEAR BUDGET STATEMENT TABLES

The financial results for the period ended 31 December 2015 are reflected in Tables C1 to C7 hereafter:

(a) Table C1: Consolidated Monthly Budget Statement – Summary

TSH City Of Tshwane - Table C1 Consolidated Monthly Budget Statement Summary - M06 December

Description	2014/15	Budget Year 2015/16						
	Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Financial Performance								
Property rates	4,892,151	5,236,387	426,028	2,589,631	2,618,390	(28,759)	-1%	5,236,387
Service charges	13,709,476	15,913,703	1,166,988	7,672,131	7,972,113	(299,982)	-4%	15,913,703
Investment revenue	38,023	70,600	3,584	20,785	35,308	(14,523)	-41%	70,600
Transfers recognised - operational	3,353,032	3,670,241	543,069	2,533,691	1,836,865	696,826	38%	3,670,241
Other own revenue	1,755,542	1,404,899	121,781	822,745	702,709	120,036	17%	1,404,899
Total Revenue (excluding capital transfers and contributions)	23,748,223	26,295,831	2,261,450	13,638,983	13,165,385	473,598	4%	26,295,831
Employee costs	6,319,320	7,058,527	461,496	3,505,406	3,691,451	(186,045)	-5%	7,058,527
Remuneration of Councillors	107,840	116,298	9,611	56,660	57,871	(1,211)	-2%	116,298
Depreciation & asset impairment	1,450,681	1,188,780	98,982	540,119	594,390	(54,271)	-9%	1,188,780
Finance charges	996,969	1,029,556	203,300	527,036	514,785	12,251	2%	1,029,556
Materials and bulk purchases	8,153,477	9,164,376	900,485	5,180,481	4,559,918	620,563	14%	9,164,376
Transfers and grants	217,335	259,298	13,374	55,828	127,074	(71,246)	-56%	259,298
Other expenditure	7,876,324	6,894,081	582,205	3,360,347	3,484,280	(123,933)	-4%	6,894,081
Total Expenditure	25,121,946	25,710,916	2,269,452	13,225,877	13,029,769	196,107	2%	25,710,916
Surplus/(Deficit)	(1,373,724)	584,915	(8,002)	413,106	135,616	277,490	205%	584,915
Transfers recognised - capital	2,564,982	2,453,160	367,723	953,305	1,133,505	(180,200)	-16%	2,453,160
Surplus/(Deficit) after capital transfers & contributions	1,191,258	3,038,075	359,721	1,366,411	1,269,121	97,291	8%	3,038,075
Surplus/ (Deficit) for the year	1,191,258	3,038,075	359,721	1,366,411	1,269,121	97,291	8%	3,038,075
Capital expenditure & funds sources								
Capital expenditure	4,114,918	3,856,566	356,854	1,454,954	1,633,690	(178,736)	-11%	3,856,566
Capital transfers recognised	2,564,982	2,453,160	236,538	930,936	1,005,734	(74,798)	-7%	2,453,160
Public contributions & donations	57,530	168,407	3,233	54,126	65,041	(10,915)	-17%	168,407
Borrowing	1,387,942	1,200,000	116,334	467,699	549,915	(82,216)	-15%	1,200,000
Internally generated funds	104,464	35,000	749	2,193	13,000	(10,807)	-83%	35,000
Total sources of capital funds	4,114,918	3,856,566	356,854	1,454,954	1,633,690	(178,736)	-11%	3,856,566
Financial position								
Total current assets	5,078,600	6,193,667		4,880,496				6,193,667
Total non current assets	33,534,361	34,914,830		34,472,592				34,914,830
Total current liabilities	7,173,588	6,064,125		6,763,588				6,064,125
Total non current liabilities	12,663,701	14,316,237		12,286,745				14,316,237
Community wealth/Equity	18,775,672	20,728,135		20,302,755				20,728,135
Cash flows								
Net cash from (used) operating	2,960,731	3,701,015	476,229	505,006	1,676,120	1,171,114	70%	3,701,015
Net cash from (used) investing	(4,272,719)	(3,678,806)	(328,810)	(914,251)	(1,581,585)	(667,335)	42%	(3,678,806)
Net cash from (used) financing	1,064,691	648,215	(65,254)	506,732	(275,892)	(782,624)	284%	648,215
Cash/cash equivalents at the month/year end	600,518	1,873,900	-	698,006	1,022,119	324,114	32%	1,270,943
Debtors & creditors analysis	0-30 Days	31-60 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis								
Total By Income Source	1,556,956	175,691	159,781	206,773	329,575	934,013	3,965,200	7,540,661
Creditors Age Analysis								
Total Creditors	3,782,842	-	-	-	-	-	-	3,782,842

**(b) Table C2: Consolidated Monthly Budget Statement – Financial Performance
(standard Classification)**

TSH City Of Tshwane - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M06
December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
Revenue - Standard									
<i>Governance and administration</i>		8,293,617	8,801,188	921,598	5,060,933	4,396,623	664,310	15%	8,801,188
Executive and council		181,695	115,176	723	22,910	53,421	(30,511)	-57%	115,176
Budget and treasury office		7,923,816	8,373,584	910,530	4,875,355	4,186,988	688,367	16%	8,373,584
Corporate services		188,106	312,427	10,345	162,668	156,214	6,455	4%	312,427
<i>Community and public safety</i>		1,298,575	1,131,882	160,385	427,229	534,782	(107,553)	-20%	1,131,882
Community and social services		65,960	53,546	2,168	9,736	24,023	(14,287)	-59%	53,546
Sport and recreation		28,859	19,994	792	7,913	9,997	(2,084)	-21%	19,994
Public safety		173,831	204,695	25,129	135,881	102,347	33,534	33%	204,695
Housing		911,718	731,636	118,901	192,584	337,409	(144,825)	-43%	731,636
Health		118,207	122,011	13,395	81,115	61,006	20,110	33%	122,011
<i>Economic and environmental services</i>		1,670,960	1,863,543	257,250	817,735	884,728	(66,993)	-8%	1,863,543
Planning and development		345,838	262,857	19,363	96,938	132,889	(35,951)	-27%	262,857
Road transport		1,324,138	1,600,410	237,888	720,600	751,701	(31,101)	-4%	1,600,410
Environmental protection		984	276	-	197	138	59	42%	276
<i>Trading services</i>		14,858,553	16,765,118	1,269,777	8,185,608	8,389,126	(203,518)	-2%	16,765,118
Electricity		9,369,578	10,991,099	779,538	5,225,480	5,494,100	(268,620)	-5%	10,991,099
Water		3,449,701	3,711,560	311,991	1,903,322	1,867,045	36,277	2%	3,711,560
Waste water management		1,015,293	887,831	83,010	478,192	440,652	37,540	9%	887,831
Waste management		1,023,982	1,174,628	95,238	578,614	587,329	(8,715)	-1%	1,174,628
<i>Other</i>	4	191,499	187,260	20,162	100,782	93,630	7,152	8%	187,260
Total Revenue - Standard	2	26,313,204	28,748,991	2,629,173	14,592,288	14,298,890	293,398	2%	28,748,991
Expenditure - Standard									
<i>Governance and administration</i>		5,266,784	5,130,232	415,749	2,456,890	2,637,749	(180,859)	-7%	5,130,232
Executive and council		1,515,430	1,417,378	92,628	661,150	743,225	(82,074)	-11%	1,417,378
Budget and treasury office		585,080	691,049	34,337	146,301	347,084	(200,783)	-58%	691,049
Corporate services		3,166,274	3,021,805	288,785	1,649,439	1,547,441	101,998	7%	3,021,805
<i>Community and public safety</i>		3,248,615	3,733,359	280,331	1,710,856	1,914,711	(203,855)	-11%	3,733,359
Community and social services		554,285	650,470	31,417	236,458	329,284	(92,826)	-28%	650,470
Sport and recreation		360,305	444,000	36,084	226,023	232,505	(6,481)	-3%	444,000
Public safety		1,433,218	1,738,320	124,928	790,862	888,510	(97,648)	-11%	1,738,320
Housing		470,762	438,177	52,589	213,769	222,167	(8,399)	-4%	438,177
Health		430,045	462,391	35,313	243,744	242,246	1,498	1%	462,391
<i>Economic and environmental services</i>		2,373,569	2,272,994	209,071	1,143,217	1,168,456	(25,238)	-2%	2,272,994
Planning and development		707,763	741,132	49,270	327,122	377,991	(50,869)	-13%	741,132
Road transport		1,611,610	1,505,049	158,678	803,445	773,486	29,958	4%	1,505,049
Environmental protection		54,196	26,813	1,122	12,650	16,978	(4,328)	-25%	26,813
<i>Trading services</i>		14,046,016	14,381,827	1,350,703	7,829,037	7,210,703	618,334	9%	14,381,827
Electricity		9,342,818	9,536,368	934,684	5,501,620	4,784,732	716,888	15%	9,536,368
Water		2,979,590	3,291,217	296,954	1,607,013	1,622,297	(15,284)	-1%	3,291,217
Waste water management		707,575	553,715	47,374	216,179	290,668	(74,489)	-26%	553,715
Waste management		1,016,032	1,000,526	71,691	504,225	513,005	(8,781)	-2%	1,000,526
<i>Other</i>		186,963	192,505	13,597	85,876	98,150	(12,274)	-13%	192,505
Total Expenditure - Standard	3	25,121,946	25,710,916	2,269,452	13,225,877	13,029,769	196,107	2%	25,710,916
Surplus/ (Deficit) for the year		1,191,258	3,038,075	359,721	1,366,411	1,269,121	97,291	8%	3,038,075

**(c) Table C3: Consolidated Monthly Budget Statement – Financial Performance
(Revenue and Expenditure by Municipal vote)**

TSH City Of Tshwane - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote	1								
Vote 1 - City Planning & Development		195,565	129,674	6,498	32,403	64,837	(32,434)	-50.0%	129,674
Vote 2 - Corporate & Shared Services		102,657	102,508	6,413	124,899	51,254	73,645	143.7%	102,508
Vote 3 - Economic Development		94,626	90,390	9,578	51,785	46,655	5,130	11.0%	90,390
Vote 4 - Emergency Services		73,757	70,689	1,301	47,672	35,345	12,328	34.9%	70,689
Vote 5 - Environmental Management		1,189,690	139,983	17,245	88,585	70,007	18,578	26.5%	139,983
Vote 6 - Group Financial Services		7,968,345	8,449,183	914,319	4,900,592	4,224,788	675,804	16.0%	8,449,183
Vote 7 - Housing & Human Settlement		888,927	711,662	116,812	180,889	327,423	(146,533)	-44.8%	711,662
Vote 8 - Group Information & Communication Technology		44	1,790	-	388	895	(508)	-56.7%	1,790
Vote 9 - Metro Police Services		290,972	202,349	24,554	132,463	101,174	31,289	30.9%	202,349
Vote 10 - Office of the City Manager		178,223	250,000	30,166	92,811	120,833	(28,022)	-23.2%	250,000
Vote 11 - Service Delivery & Transformation Management		122,087	1,441,046	122,987	694,444	720,523	(26,078)	-3.6%	1,441,046
Vote 12 - Water & Sanitation Department		4,464,989	4,597,964	395,001	2,381,510	2,306,983	74,527	3.2%	4,597,964
Vote 13 - Energy & Electricity Department		9,356,723	10,840,643	749,154	5,150,260	5,418,872	(268,612)	-5.0%	10,840,643
Vote 14 - Transport		1,223,391	1,485,608	229,741	676,299	694,300	(18,001)	-2.6%	1,485,608
Vote 15 - Other Votes		163,209	235,503	5,403	37,287	115,002	(77,715)	-67.6%	235,503
Total Revenue by Vote	2	26,313,204	28,748,991	2,629,173	14,592,288	14,298,890	293,398	2.1%	28,748,991
Expenditure by Vote	1								
Vote 1 - City Planning & Development		282,141	304,449	18,685	128,122	157,695	(29,573)	-18.8%	304,449
Vote 2 - Corporate & Shared Services		1,367,332	1,308,669	112,886	595,902	661,898	(65,995)	-10.0%	1,308,669
Vote 3 - Economic Development		378,916	391,472	28,186	182,225	196,750	(14,525)	-7.4%	391,472
Vote 4 - Emergency Services		529,961	576,004	37,265	285,794	299,649	(13,855)	-4.6%	576,004
Vote 5 - Environmental Management		670,654	358,187	24,090	146,577	186,299	(39,722)	-21.3%	358,187
Vote 6 - Group Financial Services		1,190,431	1,465,401	156,675	597,009	744,367	(147,358)	-19.8%	1,465,401
Vote 7 - Housing & Human Settlement		358,615	366,826	40,299	169,572	184,610	(15,039)	-8.1%	366,826
Vote 8 - Group Information & Communication Technology		736,528	533,650	27,274	324,794	286,089	38,705	13.5%	533,650
Vote 9 - Metro Police Services		1,604,631	1,789,763	125,167	810,171	918,368	(108,198)	-11.8%	1,789,763
Vote 10 - Office of the City Manager		493,974	264,063	21,472	125,198	133,761	(8,563)	-6.4%	264,063
Vote 11 - Service Delivery & Transformation Management		3,156,654	4,432,871	309,006	2,180,307	2,281,047	(100,740)	-4.4%	4,432,871
Vote 12 - Water & Sanitation Department		3,471,739	3,400,902	316,764	1,623,775	1,695,453	(71,678)	-4.2%	3,400,902
Vote 13 - Energy & Electricity Department		8,066,945	8,136,834	832,152	4,793,274	4,071,620	721,654	17.7%	8,136,834
Vote 14 - Transport		1,306,731	978,004	123,500	531,704	494,953	36,750	7.4%	978,004
Vote 15 - Other Votes		1,506,695	1,403,824	96,033	731,454	717,210	14,244	2.0%	1,403,824
Total Expenditure by Vote	2	25,121,946	25,710,916	2,269,452	13,225,877	13,029,769	196,107	1.5%	25,710,916
Surplus/ (Deficit) for the year	2	1,191,258	3,038,075	359,721	1,366,411	1,269,121	97,291	7.7%	3,038,075

(d) Table C4: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure)

TSH City Of Tshwane - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06
December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates		4,892,151	5,236,387	426,028	2,589,631	2,618,390	(28,759)	-1%	5,236,387
Service charges - electricity revenue		8,738,616	10,471,749	729,759	4,959,542	5,240,967	(281,425)	-5%	10,471,749
Service charges - water revenue		3,018,386	3,386,947	269,885	1,663,479	1,702,286	(38,806)	-2%	3,386,947
Service charges - sanitation revenue		763,424	806,647	66,405	397,880	404,666	(6,786)	-2%	806,647
Service charges - refuse revenue		969,643	1,095,779	92,024	552,063	547,904	4,159	1%	1,095,779
Service charges - other		219,407	152,581	8,914	99,166	76,290	22,876	30%	152,581
Rental of facilities and equipment		117,710	112,907	9,637	55,232	56,439	(1,207)	-2%	112,907
Interest earned - external investments		38,023	70,600	3,584	20,785	35,308	(14,523)	-41%	70,600
Interest earned - outstanding debtors		374,463	216,338	32,937	201,378	108,348	93,030	86%	216,338
Fines		160,562	196,691	24,537	132,148	98,346	33,802	34%	196,691
Licences and permits		53,244	57,680	3,793	20,906	28,840	(7,934)	-28%	57,680
Transfers recognised - operational		3,353,032	3,670,241	543,069	2,533,691	1,836,865	696,826	38%	3,670,241
Other revenue		1,029,122	821,284	50,876	412,482	410,737	1,745	0%	821,284
Gains on disposal of PPE		20,441	—	—	600	—	600	#DIV/0!	—
Total Revenue (excluding capital transfers and contributions)		23,748,223	26,295,831	2,261,450	13,638,983	13,165,385	473,598	4%	26,295,831
Expenditure By Type									
Employee related costs		6,319,320	7,058,527	461,496	3,505,406	3,691,451	(186,045)	-5%	7,058,527
Remuneration of councillors		107,840	116,298	9,611	56,660	57,871	(1,211)	-2%	116,298
Debt impairment		848,019	1,063,228	33,489	193,136	531,613	(338,478)	-64%	1,063,228
Depreciation & asset impairment		1,450,681	1,188,780	98,982	540,119	594,390	(54,271)	-9%	1,188,780
Finance charges		996,969	1,029,556	203,300	527,036	514,785	12,251	2%	1,029,556
Bulk purchases		7,884,916	8,795,118	878,650	5,057,973	4,376,561	681,412	16%	8,795,118
Other materials		268,561	369,258	21,835	122,508	183,358	(60,849)	-33%	369,258
Contracted services		2,942,371	1,975,982	202,177	1,417,400	971,274	446,126	46%	1,975,982
Transfers and grants		217,335	259,298	13,374	55,828	127,074	(71,246)	-56%	259,298
Other expenditure		3,893,535	3,854,871	345,387	1,748,009	1,981,392	(233,383)	-12%	3,854,871
Loss on disposal of PPE		192,399	—	1,152	1,802	1	1,802	360377%	—
Total Expenditure		25,121,946	25,710,916	2,269,452	13,225,877	13,029,769	196,107	2%	25,710,916
Surplus/(Deficit)		(1,373,724)	584,915	(8,002)	413,106	135,616	277,490	0	584,915
Transfers recognised - capital		2,564,982	2,453,160	367,723	953,305	1,133,505	(180,200)	(0)	2,453,160
Surplus/(Deficit) after capital transfers & contributions		1,191,258	3,038,075	359,721	1,366,411	1,269,121			3,038,075
Taxation		—	—	—	—	—	—		—
Surplus/(Deficit) after taxation		1,191,258	3,038,075	359,721	1,366,411	1,269,121			3,038,075
Attributable to minorities		—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality		1,191,258	3,038,075	359,721	1,366,411	1,269,121			3,038,075
Share of surplus/ (deficit) of associate		—	—	—	—	—			—
Surplus/ (Deficit) for the year		1,191,258	3,038,075	359,721	1,366,411	1,269,121			3,038,075

Note: The Total Revenue excludes capital transfers and contributions. It is indicated separately in this table as "Transfers recognised – capital".

**(e) Table C5: Consolidated Monthly Budget Statement – Capital Expenditure
by vote, standard classification and funding**

TSH City Of Tshwane - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M06 December

Vote Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
Multi-Year expenditure appropriation	2								
Vote 1 - City Planning & Development		462	30,000	–	–	8,000	(8,000)	-100%	30,000
Vote 2 - Corporate & Shared Services		17,693	23,407	158	158	11,703	(11,546)	-99%	23,407
Vote 3 - Economic Development		2,472	67,100	–	–	20,700	(20,700)	-100%	67,100
Vote 4 - Emergency Services		22,945	6,000	498	2,398	1,500	898	60%	6,000
Vote 5 - Environmental Management		72,275	98,000	8,704	16,890	49,100	(32,210)	-66%	98,000
Vote 6 - Group Financial Services		736	35,250	236	17,668	16,050	1,618	10%	35,250
Vote 7 - Housing & Human Settlement		873,448	670,500	67,187	158,699	171,825	(13,127)	-8%	670,500
Vote 8 - Group Information & Communication Technology		88,174	96,500	31	31,479	53,500	(22,021)	-41%	96,500
Vote 9 - Metro Police Services		8,664	10,000	–	–	4,000	(4,000)	-100%	10,000
Vote 10 - Office of the City Manager		345,180	280,000	13,896	92,803	140,000	(47,197)	-34%	280,000
Vote 11 - Service Delivery & Transformation Management		–	–	–	–	–	–		–
Vote 12 - Water & Sanitation Department		435,738	355,000	87,983	271,289	244,665	26,624	11%	355,000
Vote 13 - Energy & Electricity Department		552,080	447,500	26,077	185,713	159,050	26,663	17%	447,500
Vote 14 - Transport		1,525,847	1,473,085	138,754	556,877	600,238	(43,361)	-7%	1,473,085
Vote 15 - Other Votes		158,799	163,551	11,383	41,951	71,975	(30,025)	-42%	163,551
Total Capital Multi-year expenditure	4,7	4,104,513	3,755,893	354,908	1,375,925	1,552,307	(176,382)	-11%	3,755,893
Single Year expenditure appropriation	2								
Vote 3 - Economic Development		–	10,900	–	–	2,500	(2,500)	-100%	10,900
Vote 5 - Environmental Management		10,405	5,000	1,946	4,147	3,000	1,147	38%	5,000
Vote 8 - Group Information & Communication Technology		–	75,773	–	74,883	74,883	0	0%	75,773
Vote 15 - Other Votes		–	9,000	–	–	1,000	(1,000)	-100%	9,000
Total Capital single-year expenditure	4	10,405	100,673	1,946	79,030	81,383	(2,353)	-3%	100,673
Total Capital Expenditure		4,114,918	3,856,566	356,854	1,454,954	1,633,690	(178,736)	-11%	3,856,566
Capital Expenditure - Standard Classification									
Governance and administration		409,951	381,481	1,661	146,396	231,412	(85,016)	-37%	381,481
Executive and council		249,249	112,801	959	22,554	54,825	(32,272)	-59%	112,801
Budget and treasury office		–	30,000	–	16,388	15,000	1,388	9%	30,000
Corporate services		160,702	238,680	703	107,455	161,586	(54,132)	-34%	238,680
Community and public safety		1,098,820	941,500	79,964	206,232	281,925	(75,694)	-27%	941,500
Community and social services		49,891	34,000	1,891	4,514	15,100	(10,586)	-70%	34,000
Sport and recreation		105,709	136,000	7,494	10,742	48,200	(37,458)	-78%	136,000
Public safety		31,608	16,000	498	2,398	5,500	(3,102)	-56%	16,000
Housing		873,448	670,500	67,187	158,699	171,825	(13,127)	-8%	670,500
Health		38,163	85,000	2,894	29,878	41,300	(11,422)	-28%	85,000
Economic and environmental services		1,530,012	1,554,085	138,754	556,877	624,538	(67,661)	-11%	1,554,085
Planning and development		2,707	78,000	–	–	23,200	(23,200)	-100%	78,000
Road transport		1,525,847	1,473,085	138,754	556,877	600,238	(43,361)	-7%	1,473,085
Environmental protection		1,457	3,000	–	–	1,100	(1,100)	-100%	3,000
Trading services		1,064,219	969,500	133,902	541,722	489,215	52,507	11%	969,500
Electricity		552,080	447,500	26,077	185,713	159,050	26,663	17%	447,500
Water		122,584	149,929	8,470	62,650	81,165	(18,515)	-23%	149,929
Waste water management		377,149	355,071	93,408	280,891	238,500	42,391	18%	355,071
Waste management		12,405	17,000	5,946	12,468	10,500	1,968	19%	17,000
Other		11,917	10,000	2,572	3,727	6,600	(2,873)	-44%	10,000
Total Capital Expenditure - Standard Classification	3	4,114,918	3,856,566	356,854	1,454,954	1,633,690	(178,736)	-11%	3,856,566
Funded by:									
National Government		2,551,806	2,408,542	234,834	928,348	989,600	(61,252)	-6%	2,408,542
Provincial Government		8,721	40,551	1,704	1,704	14,576	(12,871)	-88%	40,551
Other transfers and grants		4,454	4,067	–	883	1,558	(675)	-43%	4,067
Transfers recognised - capital		2,564,982	2,453,160	236,538	930,936	1,005,734	(74,798)	-7%	2,453,160
Public contributions & donations	5	57,530	168,407	3,233	54,126	65,041	(10,915)	-17%	168,407
Borrowing	6	1,387,942	1,200,000	116,334	467,699	549,915	(82,216)	-15%	1,200,000
Internally generated funds		104,464	35,000	749	2,193	13,000	(10,807)	-83%	35,000
Total Capital Funding		4,114,918	3,856,566	356,854	1,454,954	1,633,690	(178,736)	-11%	3,856,566

(f) Table C6: Consolidated Monthly Budget Statement – Financial Position

TSH City Of Tshwane - Table C6 Consolidated Monthly Budget Statement - Financial Position -
M06 December

Description	Ref	2014/15	Budget Year 2015/16		
		Unaudited Outcome	Original Budget	YearTD actual	Full Year Forecast
R thousands	1				
ASSETS					
Current assets					
Cash		97,559	241,124	270,027	241,124
Call investment deposits		502,960	1,632,776	427,978	1,632,776
Consumer debtors		2,489,954	2,857,768	2,199,159	2,857,768
Other debtors		1,399,819	720,978	1,258,867	720,978
Current portion of long-term receivables		102,166	267,418	123,970	267,418
Inventory		486,143	473,603	600,493	473,603
Total current assets		5,078,600	6,193,667	4,880,496	6,193,667
Non current assets					
Long-term receivables		58,405	161,230	15,113	161,230
Investments		711	44,110	711	44,110
Investment property		859,753	957,381	854,759	957,381
Property, plant and equipment		28,437,461	33,427,936	29,469,890	33,427,936
Intangible assets		250,696	324,173	250,296	324,173
Other non-current assets		3,927,336	–	3,881,823	–
Total non current assets		33,534,361	34,914,830	34,472,592	34,914,830
TOTAL ASSETS		38,612,961	41,108,496	39,353,087	41,108,496
LIABILITIES					
Current liabilities					
Bank overdraft		–	–	–	–
Borrowing		598,970	587,251	1,512,294	587,251
Consumer deposits		355,016	430,766	363,428	430,766
Trade and other payables		6,219,602	5,041,703	4,887,866	5,041,703
Provisions		–	4,405	–	4,405
Total current liabilities		7,173,588	6,064,125	6,763,588	6,064,125
Non current liabilities					
Borrowing		9,871,867	11,468,241	9,494,911	11,468,241
Provisions		2,791,834	2,847,996	2,791,834	2,847,996
Total non current liabilities		12,663,701	14,316,237	12,286,745	14,316,237
TOTAL LIABILITIES		19,837,289	20,380,362	19,050,333	20,380,362
NET ASSETS	2	18,775,672	20,728,135	20,302,755	20,728,135
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		18,522,252	20,463,076	20,049,334	20,463,076
Reserves		253,420	265,059	253,420	265,059
TOTAL COMMUNITY WEALTH/EQUITY	2	18,775,672	20,728,135	20,302,755	20,728,135

(g) Table C7: Consolidated Monthly Budget Statement – Cash Flow

TSH City Of Tshwane - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges		4,883,326	4,817,476	426,028	2,589,631	2,408,738	180,893	8%	4,817,476
Service charges		13,293,833	14,588,169	1,166,988	7,672,155	7,294,084	378,071	5%	14,588,169
Other revenue		1,436,034	1,178,291	88,844	620,767	590,587	30,180	5%	1,178,291
Government - operating		3,081,485	3,666,857	477,909	2,500,323	1,843,459	656,864	36%	3,666,857
Government - capital		2,596,235	2,453,160	532,221	1,149,967	1,059,008	90,959	9%	2,453,160
Interest		412,573	193,141	36,521	222,163	95,627	126,536	132%	193,141
Payments									
Suppliers and employees		(21,719,690)	(21,907,225)	(2,035,609)	(13,667,137)	(10,970,950)	2,696,187	-25%	(21,907,225)
Finance charges		(997,465)	(1,029,556)	(203,300)	(527,036)	(514,785)	12,251	-2%	(1,029,556)
Transfers and Grants		(25,600)	(259,298)	(13,374)	(55,828)	(129,649)	(73,821)	57%	(259,298)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2,960,731	3,701,015	476,229	505,006	1,676,120	1,171,114	70%	3,701,015
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		197,706	–	1,889	42,534	–	42,534		–
Decrease (Increase) in non-current debtors		70,512	–	46,620	385,492	–	385,492		–
Decrease (increase) other non-current receivables		(269,436)	48,553	(20,490)	134,165	24,277	109,888	453%	48,553
Decrease (increase) in non-current investments		(156,583)	56,007	25	(21,487)	28,004	(49,490)	-177%	56,007
Payments									
Capital assets		(4,114,918)	(3,783,366)	(356,854)	(1,454,954)	(1,633,865)	(178,911)	11%	(3,783,366)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(4,272,719)	(3,678,806)	(328,810)	(914,251)	(1,581,585)	(667,335)	42%	(3,678,806)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		–	–	825,000	4,050,000	–	4,050,000		–
Borrowing long term/refinancing		1,500,000	1,200,000	–	–	–	–		1,200,000
Increase (decrease) in consumer deposits		55,733	8,565	2,351	11,990	4,283	7,707	180%	8,565
Payments									
Repayment of borrowing		(491,042)	(560,350)	(892,606)	(3,555,258)	(280,175)	3,275,083	-1169%	(560,350)
NET CASH FROM/(USED) FINANCING ACTIVITIES		1,064,691	648,215	(65,254)	506,732	(275,892)	(782,624)	284%	648,215
NET INCREASE/ (DECREASE) IN CASH HELD		(247,298)	670,424	82,165	97,487	(181,357)			670,424
Cash/cash equivalents at beginning:		847,816	1,203,476		600,518	1,203,476			600,518
Cash/cash equivalents at month/year end:		600,518	1,873,900		698,006	1,022,119			1,270,943

The Cash Flow report above for December 2015 indicates that:

- The cash and cash equivalents closing balance as at the end of December 2015 is **R698m**.
- Cash flows from operating activities is R515m compared to the target of R1 676m.
- Cash flows from investing activities amounts to (R914m), compared to a target of (R1 582m).
- Cash flows from financing activities equates to R507m compared to a target of (R276m).

PART 2 – SUPPORTING DOCUMENTATION

(a) Table SC1: Material variance explanations

TSH City Of Tshwane - Supporting Table SC1 Material variance explanations - M06 December				
Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Property rates	(28,759)	On-going rectification as well as delays in billing caused by theft of equipment.	Continuous reconciliation processes to identify possible mismatches and correction thereof.
	Property rates - penalties & collection	-		
	Service charges - electricity revenue	(281,425)	"Sale of Electricity" is the main contributor due to billing cycle not being completed caused by the theft of equipment and the non-alignment of YTD Budget to previous trends.	Continuous monitoring.
	Service charges - water revenue	(38,806)	"Water Fees" is the main contributor due to the incomplete billing cycle caused by the theft of equipment and the non-alignment of YTD projections.	Continuous monitoring.
	Service charges - sanitation revenue	(6,786)	"Sanitation Fees" is the main contributor due to billing cycle not being completed caused by the theft of equipment.	Continuous monitoring.
	Service charges - refuse revenue	4,159	A 1% favourable variance is reflected.	Continuous monitoring.
	Service charges - other	22,876	Demand exceeded projection on "Reconnection Fees".	Continuous monitoring.
	Rental of facilities and equipment	(1,207)	"Rental: Businesses" is the main contributor due to delays in concluding new leases.	Follow-up on progress of new leases.
	Interest earned - external investments	(14,523)	"Interest Received On Long Term Investment" is the main contributor due to a decline in investments.	Actual capitalisation of Interest Earned is done semi-annually, in 31 December and 30 June.
	Interest earned - outstanding debtors	93,030	"Interest On Amounts In Arrear" is the main contributor. An increase in debtors has resulted in higher interest earned.	Review during Adjustments budget process.
	Dividends received	-		
	Fines	33,802	"AARTO" transactions corrected for the previous months. "Impairment: AARTO" expenditure against a 15% recovery rate still needs to be deducted.	Final AARTO infringement payment ratios will only be determined at financial year end.
	Licences and permits	(7,934)	"Drivers Licences" is the main contributor. Delay in processing receipts.	Ensure outstanding receipts are captured.
	Agency services	-		
	Transfers recognised - operational	696,826	Due to non-alignment of projections for "Equitable Share" and "Fuel Levy". Second tranches received as per NT payment schedule.	None.
	Other revenue	1,745	Maturing of guarantees from auctions held in the 2014/15 financial year for "Land Sales".	None.
	Gains on disposal of PPE	600	Due to a "Profit on Asset Sale".	None.
2	Expenditure By Type			
	Employee related costs	(186,045)	A 5% variance mainly due to the existence of vacancies.	Implement remedial action for "Overtime-Salaries" and line-items reflecting an unfavourable variance.
	Remuneration of councillors	(1,211)	Payment in terms of the Public Office Bearers Act.	None.
	Debt impairment	(338,478)	"Bad Debt Written Off" is the main contributor.	Council approval is required for any Bad Debts to be written-off. CoT does provide for a provision on Bad Debts.
	Depreciation & asset impairment	(54,271)	"Leased Assets: Depreciation" is the main contributor due to actual less than projected.	Depreciation is calculated in-line with the asset verification and purification process.
	Finance charges	12,251	"Interest Expense Interest Swaps" is the main contributor due to no budget provision.	Provision of budget during Adjustments Budget process.
	Bulk purchases	681,412	"Bulk: Electricity" and "Bulk: Water" are the main contributors due to non-alignment of projections to trends.	Continuous monitoring to ensure line-items do not exceed budget allocation.
	Other materials	(60,849)	"Coal" is the main contributor due to no generation at Pretoria West Power Station.	None.
	Contracted services	446,126	Various line-items in the group such as "Prepaid Commission", "Household Refuse Removal: Private Sector" "Electricity Disconnections" amongst others has exceeded YTD Budget.	Department to implement corrective measures in terms of Budget Policy and ensure sufficient budget is provided during the Adjustments Budget process.
	Transfers and grants	(71,246)	"Municipal Entities" is the main contributor due to a decrease in the claim amount submitted.	Not a pro-rata expenditure group.
	Other expenditure	(233,383)	"Vehicles" is the main contributor due to the delay in finalisation of the SCM processes for Corporate Fleet Management.	Once the SCM process are concluded, expenditure will be accelerated.
3	Capital Expenditure			
	Loss on disposal of PPE	1,802		
	Vote 1 - City Planning & Development	(8,000)	"Redevelopment of Caledonian" project due to delay in processes.	Awaiting EAC recommendations on possible appointment of contractor.
	Vote 2 - Corporate & Shared Services	(11,546)	"Tshwane Leadership and Management Academy" project is the main contributor due to delays in SCM process.	Expenditure will be expedited and monitored closely once contracts are in place.
	Vote 3 - Economic Development	(23,200)	"Business Process Outsourcing Park in Hammanskraal" project due to delays in SCM processes.	Report referred back to the Bid Evaluation Committee (BEC) for re-evaluation.
	Vote 4 - Emergency Services	898	"Disaster Risk Management Tools and Equipment" is the main contributor due to the urgent need for "fire suits".	Ensure allocated budget is not exceeded.

(a) Table SC1: Material variance explanations (cont.)

TSH City Of Tshwane - Supporting Table SC1 Material variance explanations - M06 December				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
3	Capital Expenditure			
	Vote 5 - Environmental Management	(31,064)	"Development of Parks and Traffic Islands (Backlog & New)" project is the main contributor. Delays in supply chain processes due to newly introduced ways of sourcing quotations from service providers.	The procurement process will be expedited to ensure that the projections are met.
	Vote 6 - Group Financial Services	1,618	"Automation of Supply Chain" is the main contributor. Initial projections were revised to achieve completion date of 28 February 2016.	None - expenditure in-line with revised projections.
	Vote 7 - Housing & Human Settlement	(13,127)	"Roads and Stormwater - Low Cost Housing - Project Linked Housing" project is the main contributor.	
	Vote 8 - Group Information & Communication Technology	(22,021)	"One Integrated Transaction Processing System" project is the main contributor due to delay in receipt of invoices from Service Provider.	Projected deliverables signed off however awaiting outstanding billings.
	Vote 9 - Metro Police Services	(4,000)	"Purchasing of Policing Equipment" project is the main contributor due to Implementation of re-prioritized Procurement Plan.	Discussions to be held with TMPD Executive Management on way forward.
	Vote 10 - Office of the City Manager	(47,197)	"Implementation of Tsosoloso Programme" project is the main contributor due to a delay in implementation.	Await approval of Business Plans submitted to National Treasury.
	Vote 11 - Service Delivery & Vote 12 - Water & Sanitation Department	-	None.	None.
		26,624	"Refurbishing of Water Networks and Backlog Eradication" project is the main contributor due to accelerated payments for Temba water Treatment plant.	None.
	Vote 13 - Energy & Electricity Department	26,663	"New Bulk Electricity Infrastructure" project is the main contributor which came to fruition sooner than expected.	Closely monitor spending patterns and make informed decision.
	Vote 14 - Transport	(43,361)	"Doubling of Simon Vermooten" project is the main contributor due to additional funds transfer.	None required, as expenditure will soon be on par with cash-flow prediction.
	Vote 15 - Other Votes	(31,025)	"Upgrade Refilwe Stadium" project is the main contributor. Total breakdown of JV partnership. Project halted.	Legal intervention. Cancellation of existing appointee and new appointment.
4	Financial Position			
	Current assets	(1,313,171)	A decrease in current assets against projection with the exception of "Other Debtors" and "Inventory".	
	Non current assets	(442,238)	Decrease in non-current assets except "Other non-current assets" against projections.	
	Current liabilities	699,463	An increase in current liabilities against projections specifically "Borrowings".	
	Non current liabilities	(2,029,492)	A decrease in non current liabilities items against projections.	
5	Cash Flow			
	Transfer receipts - capital	351,410	Actual higher than projected.	
	Contributions & Contributed assets	3,041	No budget projection for the month.	
	Proceeds on disposal of PPE	(1,152)	No budget projection for the month.	
	Short term loans	825,000	Actual greater than projected.	
	Borrowing long term/refinancing	-	None.	
	Increase in consumer deposits	1,637	An increase in consumer deposits against projection.	
	Receipt of non-current debtors	46,620	No budget projection for the month.	
	Receipt of non-current receivables	(24,536)	Actual higher than projected.	
	Change in non-current investments	(4,643)	Actual lower than projected.	
	Capital assets	77,875	Actual higher than projected.	
	Repayment of borrowing	845,910	Actual higher than projected.	
7	Municipal Entities			
	Revenue			
	Housing Company Tshwane	(3,088)	"Transfers recognised - operational" is the main contributor. Grant claim is low due to the assumption that unspent grant will be rolled over from the previous financial year.	Will be corrected during Adjustments Budget process.
	Sandspruit Works Association	44,219	"Transfers recognised - operational" is the main contributor. Operational Grant billed above the budgeted amount. This is mainly attributed to the declining collection rates.	Debt collection strategy is being developed and further credit control process are currently undertaken to improve collection rate. Increase in collection rates will result in a decrease in grant transfers.
	Tshwane Economic Development Agency	(891)	"Other revenue" is the main contributor. Revenue generated less than projected.	"Other revenue" will be generated in the next few months.
	Expenditure			
	Housing Company Tshwane	(3,843)	"Contracted Services" is the main contributor due to the delay in the appointment of consultants.	Contractors have been appointed and will commence with engineering design.
	Sandspruit Works Association	66,404	"Debt impairment" is the main contributor attributed to the collection which is below the budgeted amount.	Debt collection strategy is being developed and further credit control process to be undertaken to improve collection rate.
	Tshwane Economic Development Agency	(23)	"Employee related costs" is the main contributor due to the existence of vacancies.	Expenditure will improve.

(b) Table SC2: Monthly Budget Statement – Performance Indicators

TSH City Of Tshwane - Supporting Table SC2 Monthly Budget Statement - performance indicators - M06 December

City of Tshwane - Supporting Table 002 Monthly Budget Statement - performance indicators - m00 December						
Description of financial indicator	Basis of calculation	Ref	2014/15	Budget Year 2015/16		
			Unaudited Outcome	Original Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Ex penditure	Interest & principal paid/Operating Ex penditure		5.9%	6.2%	30.9%	6.2%
Borrowed funding of 'ow n' capital ex penditure	Borrow ings/Capital expenditure ex cl. transfers and grants		33.7%	97.2%	38.5%	97.2%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		88.9%	82.5%	78.3%	82.5%
Gearing	Long Term Borrowing/ Funds & Reserves		3895.5%	4403.3%	3746.7%	4403.3%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	1	70.8%	1.0	0.7	1.0
Liquidity Ratio	Monetary Assets/Current Liabilities		8.4%	0.3	0.1	0.3
<u>Revenue Management</u>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		85.2%	105.6%	85.7%	105.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		17.1%	15.2%	26.4%	15.2%
Longstanding Debtors Recov ered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%	100.0%	100.0%
<u>Funding of Provisions</u>						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
<u>Other Indicators</u>						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	17.3%	10.0%	17.9%	10.0%
Water Distribution Losses	% Volume (units purchased and ow n source less units sold)/Total units purchased and ow n source	2	23.5%	23.1%	21.1%	23.1%
Employee costs	Employee costs/Total Revenue - capital revenue		26.6%	26.8%	25.7%	26.8%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	5.8%	4.8%	5.8%
Interest & Depreciation	I&D/Total Revenue - capital revenue		10.3%	8.4%	3.9%	8.4%
<u>IDP regulation financial viability indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		14.4	14.2	7.0	14.2
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		10.7%	14.6%	158.4%	14.6%
iii. Cost coverage	(Av ailable cash + Investments)/monthly fixed operational expenditure		0.03	0.1	0.05	0.1

Note: The Annual Debtor Collection Rate was not available at the time of preparing this report.

The performance indicator table above reflects the financial impact of the performance of the CoT as at 31 December 2015.

(c) Table SC3: Monthly Budget Statement – Aged Debtors

TSH City Of Tshwane - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description		NT Code	Budget Year 2015/16										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	342,371	29,370	66,668	29,989	74,073	41,271	232,181	627,823	1,443,747	1,005,337	80,673	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	219,323	16,061	18,156	13,763	12,012	14,147	92,502	568,094	954,057	700,518	5,648	-	
Receivables from Non-exchange Transactions - Property Rates	1400	463,890	68,053	66,291	61,137	56,874	54,700	270,891	1,107,581	2,149,416	1,551,182	944	-	
Receivables from Exchange Transactions - Waste Water Management	1500	64,164	5,449	6,576	5,046	8,289	5,271	31,952	119,008	245,756	169,567	16,795	-	
Receivables from Exchange Transactions - Waste Management	1600	95,918	11,655	14,062	11,213	11,139	9,962	58,299	218,940	431,189	309,554	960	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	9,951	1,988	1,387	979	910	164,932	164	32,731	213,042	199,717	2	-	
Interest on Arrear Debtor Accounts	1810	83,127	28,018	33,563	28,983	30,715	29,829	169,732	725,823	1,129,790	985,081	6,062	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	278,213	15,096	5,967	8,672	12,761	9,462	78,291	565,201	973,663	674,387	13,705	-	
Total By Income Source	2000	1,556,956	175,691	212,671	159,781	206,773	329,575	934,013	3,965,200	7,540,661	5,595,343	124,789	-	
2014/15 - totals only		1,245,247	217,284	192,376	142,479	198,304	280,582	866,489	3,256,005	6,398,766	4,743,859	6,703	0	
Debtors Age Analysis By Customer Group														
Organs of State	2200	-	-	-	-	-	-	-	-	-	-	-	-	
Commercial	2300	380,968	41,327	46,702	45,632	41,115	125,399	208,258	967,156	1,856,557	1,387,559	71	-	
Households	2400	694,655	101,115	114,472	96,477	104,291	105,060	589,937	2,293,958	4,099,965	3,189,723	124,193	-	
Other	2500	481,333	33,249	51,497	17,672	61,367	99,116	135,819	704,086	1,584,138	1,018,060	524	-	
Total By Customer Group	2600	1,556,956	175,691	212,671	159,781	206,773	329,575	934,013	3,965,200	7,540,661	5,595,343	124,789	-	

The above table provides an extended aged analysis, as well as an aged analysis by debtor type. It also compares this month's results with the same period of the previous financial year. The summary report indicates that total debtors amount to **R7 541m**.

The charts below illustrates that there is a collection challenge pertaining to the debtors in the over 1 year category. R3 965m is outstanding in this category, with R2 294m attributable to households. Figures for "Organs of State" were not available at the time of preparing this report.

Chart C3: Aged Consumer Debtors

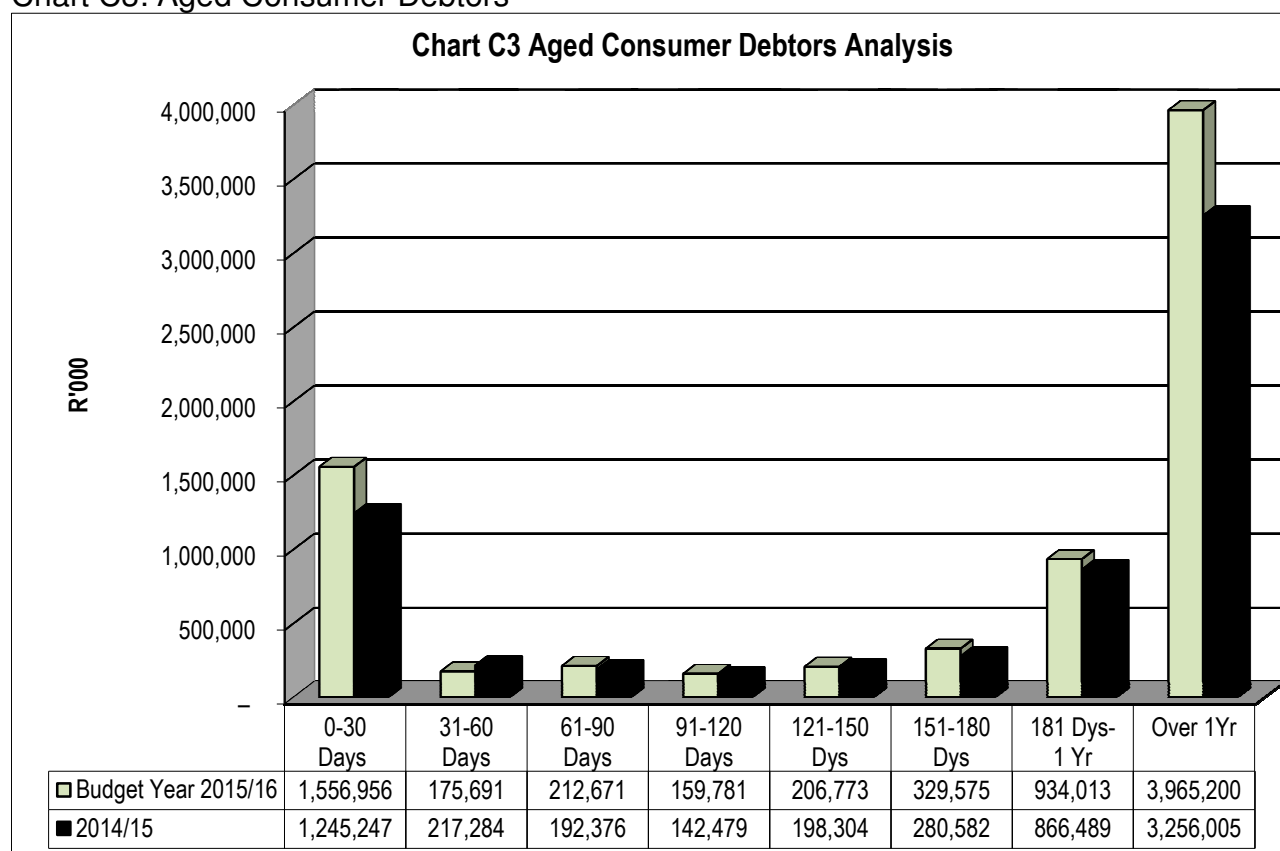
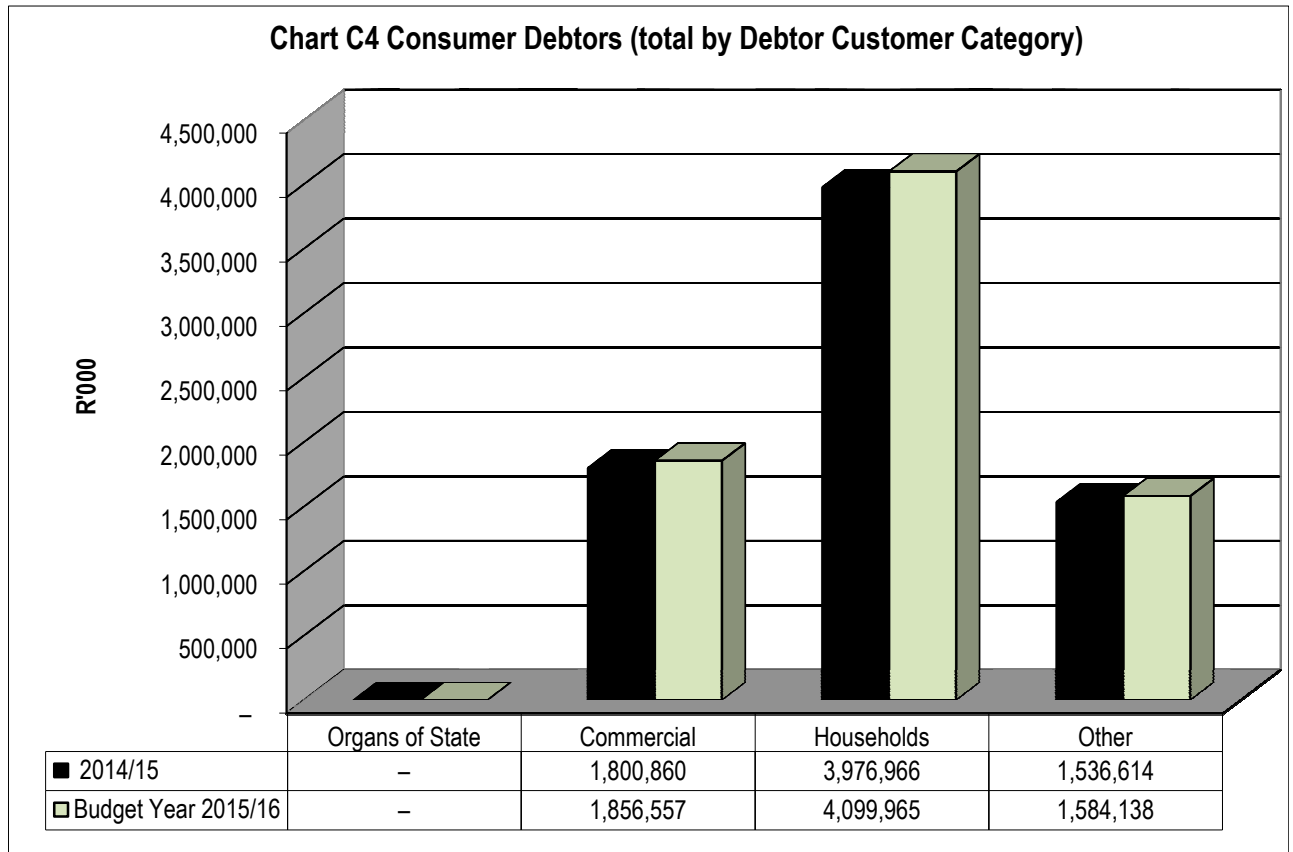


Chart C4: Consumer Debtors



(d) Table SC4: Monthly Budget Statement – Aged Creditors

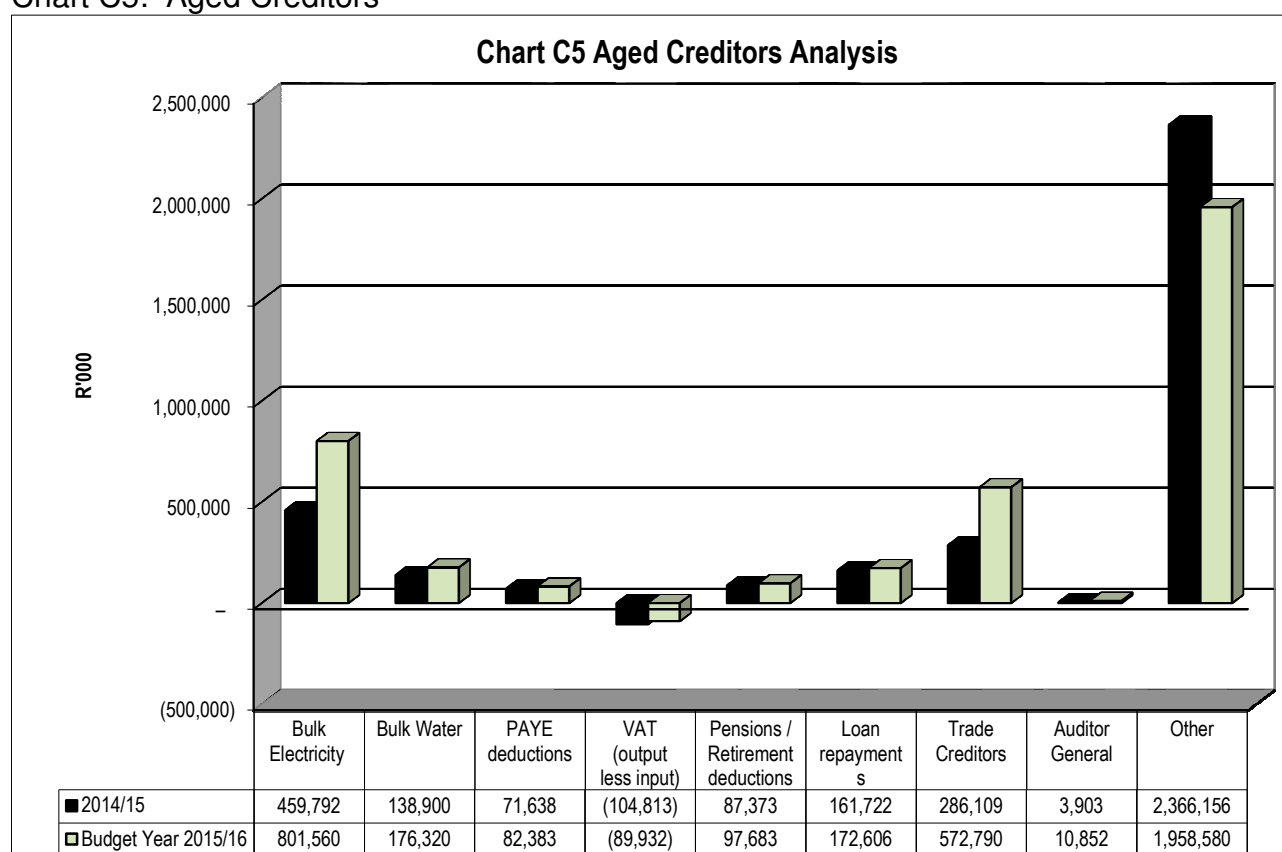
TSH City Of Tshwane - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

City of Richmond – Supporting Table 004 Monthly Budget Statement – Aged Creditors – 30th December											
Description R thousands	NT Code	Budget Year 2015/16									Prior year
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	totals for chart (same period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	801,560								801,560	459,792
Bulk Water	0200	176,320								176,320	138,900
PAYE deductions	0300	82,383								82,383	71,638
VAT (output less input)	0400	(89,932)								(89,932)	(104,813)
Pensions / Retirement deductions	0500	97,683								97,683	87,373
Loan repayments	0600	172,606								172,606	161,722
Trade Creditors	0700	572,790								572,790	286,109
Auditor General	0800	10,852								10,852	3,903
Other	0900	1,958,580								1,958,580	2,366,156
Total By Customer Type	1000	3,782,842	–	–	–	–	–	–	–	3,782,842	3,470,780

The above table provides an extended aged analysis, as well as an aged analysis by creditor type. The summary report indicates that there are no long term outstanding creditors for the categories over 30 days. The majority of the CoT's creditors are "Other" creditors and there does not appear to be any issues.

The chart compares this month's results with the previous financial year which indicates that all the Aged Creditors per category with the exception of "VAT (output less input)" and "Other" reflect an increase at the end of December 2015.

Chart C5: Aged Creditors



(e) Table SC5: Monthly Budget Statement – Investment Portfolio

TSH City Of Tshwane - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands		Yrs/Months							
Municipality									
Call Investment deposits < 90 days									
Knysna Stocks	24	15y	Stock	31.12.2018	0	0.0%	715	–	715
Sanlam	26	14y	Insurance policy	07.12.2015	–	3.0%	–	–	–
Sanlam	27	14y	Insurance policy	01.01.2016	–	3.0%	–	–	–
Capital Alliance	28	8y	Insurance policy	On selling date	1	2.0%	622	–	623
Capital Alliance	29	9y	Insurance policy	On selling date	5	3.0%	1,969	–	1,974
ABSA	32	On Call	Money Market	On call	124	5.2%	28,067	–	28,191
ABSA	33	On Call	Money Market	On call	43	5.2%	9,835	–	9,879
ABSA	34	On Call	Money Market	On call	33	5.2%	7,367	–	7,399
ABSA	35	On Call	Money Market	On call	1	5.2%	162	–	163
Investec Bank	37	On Call	Money Market	On call	109	5.2%	24,648	–	24,756
Investec Bank	38	On Call	Money Market	On call	35	5.2%	7,878	–	7,913
Investec Bank	39	On Call	Money Market	On call	5	5.2%	1,055	–	1,060
Standard Bank	40	On Call	Money Market	On call	394	5.2%	89,143	–	89,537
Standard Bank	41	On Call	Money Market	On call	12	5.2%	2,767	–	2,779
Investec Bank	108	On Call	Money Market	On call	109	4.5%	28,508	–	28,617
RMB	237	On Call	Money Market	31.10.2011	–	0.0%	–	–	–
STANLIB	106	On Call	Money Market	On call	–	0.4%	26,997	140	27,136
ABSA	338	On Call	Short Term	On call	–	0.0%	50,175	246	50,421
Nedbank	341	On Call	Short Term	On call	–	0.0%	75,346	746	76,092
Standard Bank	340	On Call	Short Term	On call	–	5.8%	–	–	–
ABSA	243	On Call	Short Term	On call	–	0.0%	–	–	–
Nedbank	244	On Call	Short Term	On call	–	0.0%	–	–	–
ABSA	245	On Call	Short Term	On call	–	0.0%	–	–	–
Standard Bank	246	On Call	Short Term	On call	–	0.0%	–	–	–
Nedbank	247	On Call	Short Term	On call	–	0.0%	–	–	–
ABSA	248	On Call	Short Term	On call	–	0.0%	–	–	–
Standard Bank	260	On Call	Short Term	On call	278	5.0%	65,498	–	65,776
Municipality sub-total					1,148		420,753	1,132	423,033
TOTAL INVESTMENTS AND INTEREST	2				1,148		420,753	1,132	423,033

The information contained in the investment table above is consistent with the requirements of the Municipal Investment Regulation, 2005 issued by National Treasury.

(f) **Table SC6: Monthly Budget Statement – Transfers and grant receipts**

TSH City Of Tshwane - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December									
Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:	1,2								
Operating Transfers and Grants									
National Government:		3,008,481	3,298,840	465,283	2,410,616	2,406,339	4,277	0.2%	3,298,840
EPWP Incentive		30,760	31,143	–	21,800	21,800	–		31,143
Finance Management		4,750	3,925	–	3,925	3,925	–		3,925
Fuel Levy		1,352,410	1,395,849	465,283	930,566	930,566	–		1,395,849
Integrated City Development Grant		44,659	39,702	–	39,702	39,702	–		39,702
Local Government Equitable Share		1,375,518	1,654,390	–	1,240,792	1,240,792	–		1,654,390
Municipal Disaster Recovery Grant	3	14,878	–	–	–	–	–		–
Municipal Human Settlement Capacity Grant		47,506	12,831	–	12,831	8,554	4,277	50.0%	12,831
Public Transport Network Operations Grant		138,000	161,000	–	161,000	161,000	–		161,000
Provincial Government:		110,355	120,866	12,626	89,707	90,335	(628)	-0.7%	120,866
Emergency Medical Services		56,683	59,687	–	41,781	41,781	–		59,687
HIV and Aids Grant		10,923	11,501	–	11,948	11,501	447	3.9%	11,501
Primary Health Care	4	39,967	42,085	12,626	29,460	29,460	–		42,085
Research & Technology Development Services		893	893	–	893	893	–		893
Sport and Recreation: Community Libraries		1,889	6,700	–	5,625	6,700	(1,075)	-16.0%	6,700
Other grant providers:		256,551	250,535	26,337	166,803	133,606	33,197	24.8%	250,535
Housing Company Tshwane		15,849	23,445	1,601	8,000	20,061	(12,061)	-60.1%	23,445
LG SETA Discretionary Grant		689	–	–	–	–	–		–
Sandspruit		182,360	172,940	24,737	129,833	86,470	43,363	50.1%	172,940
TEDA		57,652	54,150	–	28,970	27,075	1,895	7.0%	54,150
Total Operating Transfers and Grants	5	3,375,387	3,670,241	504,246	2,667,126	2,630,280	36,846	1.4%	3,670,241
Capital Transfers and Grants									
National Government:		2,547,271	2,408,542	532,221	1,127,038	1,127,038	–		2,408,542
Energy Efficiency & Demand Side Management		3,000	–	–	–	–	–		–
Finance Management Grant		250	250	–	250	250	–		250
Integrated National Electrification Programme		32,000	37,000	6,982	25,731	25,731	–		37,000
Neighbourhood Development Partnership Grant		175,000	100,000	–	45,912	45,912	–		100,000
Public Transport and Systems Grant		867,571	770,609	–	304,804	304,804	–		770,609
Urban Settlement Development Grant		1,469,450	1,500,683	525,239	750,341	750,341	–		1,500,683
Provincial Government:		27,300	40,551	–	22,551	45,551	(23,000)	-50.5%	40,551
Gautrans		12,000	–	–	–	–	–		–
Social Infrastructure Grant		11,200	33,000	–	15,000	38,000	(23,000)	-60.5%	33,000
Sport & Recreation: Community Libraries		4,100	7,551	–	7,551	7,551	–		7,551
Other grant providers:		4,698	1,773	–	378	505	(126)	-25.0%	1,773
Housing Delft Grant		–	–	–	–	–	–		–
LG SETA Discretionary Grant		4,698	–	–	–	–	–		–
Smart Connect Grant		–	1,773	–	378	505	(126)	-25.0%	1,773
							–		
Total Capital Transfers and Grants	5	2,579,269	2,450,866	532,221	1,149,967	1,173,094	(23,126)	-2.0%	2,450,866
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	5,954,657	6,121,107	1,036,467	3,817,093	3,803,373	13,720	0.4%	6,121,107

The disclosure on the transfer and grant receipts table above reflect the receipts from National, Provincial and Other grant providers. As at 31 December 2015 the total receipts amount to R3 817m. Listed below are the outstanding transfers:

- Sport and Recreation: Community Libraries – Remaining transfer cancelled.
- Social Infrastructure Grant – Delay in the appointment of contractors which affected the transfer to the Department.
- Smart Connect Grant – Delay in the submission performance documentation.

(g) Table SC7(1): Monthly Budget Statement – Transfers and grant expenditures

TSH City Of Tshwane - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description		Ref	2014/15	Budget Year 2015/16						
			Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:			2,971,853	3,298,840	503,809	2,286,883	1,649,420	637,463	38.6%	3,298,840
EPWP Incentive			30,760	31,143	9,343	21,800	15,572	6,229	40.0%	31,143
Finance Management			4,540	3,925	58	1,295	1,962	(668)	-34.0%	3,925
Fuel Levy			1,352,410	1,395,849	465,283	930,566	697,924	232,642	33.3%	1,395,849
Integrated City Development Grant			38,352	39,702	595	1,751	19,851	(18,100)	-91.2%	39,702
Local Government Equitable Share			1,375,518	1,654,390	–	1,240,791	827,195	413,596	50.0%	1,654,390
Municipal Disaster Recovery Grant			992	–	–	–	–	–	–	–
Municipal Human Settlement Capacity Grant			31,087	12,831	10,675	10,681	6,416	4,265	66.5%	12,831
Public Transport Network Operations Grant			138,000	161,000	17,854	80,000	80,500	(500)	-0.6%	161,000
Urban Settlement Development Grant			195	–	–	–	–	–	–	–
Provincial Government:			109,632	120,866	12,923	80,005	60,433	19,572	32.4%	120,866
Emergency Medical Services			56,683	59,687	–	41,781	29,844	11,937	40.0%	59,687
HIV and Aids Grant			10,923	11,501	25	6,858	5,751	1,107	19.3%	11,501
Primary Health Care			39,967	42,085	12,626	29,460	21,042	8,417	40.0%	42,085
Research & Technology Development Services			–	893	146	485	447	38	8.6%	893
Sport and Recreation: Community Libraries			1,837	6,700	126	1,422	3,350	(1,928)	-57.6%	6,700
Other grant providers:			267,686	255,799	26,337	166,803	139,356	27,446	19.7%	255,799
Housing Company Tshwane			15,849	35,359	1,601	8,000	20,061	(12,061)	-60.1%	35,359
LG SETA Discretionary Grant			609	–	–	–	5,751	(5,751)	-100.0%	–
Sandspruit			193,576	172,940	24,737	129,833	86,470	43,363	50.1%	172,940
TEDA			57,652	47,500	–	28,970	27,075	1,895	7.0%	47,500
Total operating expenditure of Transfers and Grants:			3,349,171	3,675,505	543,069	2,533,691	1,849,209	684,482	37.0%	3,675,505
Capital expenditure of Transfers and Grants										
National Government:			2,551,806	2,408,542	234,834	928,348	989,600	(61,252)	-6.2%	2,408,542
Energy Efficiency & Demand Side Management			–	–	–	–	–	–	–	–
Finance Management Grant			–	250	–	22	50	(28)	-56.4%	250
Integrated National Electrification Programme			244	37,000	(8)	11,503	14,000	(2,497)	-17.8%	37,000
Neighbourhood Development Partnership Grant			31,999	100,000	–	20,551	50,000	(29,449)	-58.9%	100,000
Public Transport and Systems Grant			174,998	770,609	71,152	362,930	325,000	37,930	11.7%	770,609
Urban Settlement Development Grant			867,347	1,500,683	163,690	533,343	600,550	(67,207)	-11.2%	1,500,683
Water Affairs			1,477,218	–	–	–	–	–	–	–
Provincial Government:			8,721	40,551	1,704	1,704	14,576	(12,871)	-88.3%	40,551
Social Infrastructure Grant			5,518	33,000	981	981	10,800	(9,819)	-90.9%	33,000
Sport & Recreation: Community Libraries			3,203	7,551	723	723	3,776	(3,053)	-80.9%	7,551
Other grant providers:			4,454	4,067	–	883	1,558	(675)	-43.3%	4,067
Housing Delft Grant			–	2,293	–	–	675	(675)	-100.0%	2,293
LG SETA Discretionary Grant			4,454	–	–	–	–	–	–	–
Smart Connect Grant			–	1,773	–	883	883	0	0.0%	1,773
Total capital expenditure of Transfers and Grants			2,564,982	2,453,160	236,538	930,936	1,005,734	(74,798)	-7.4%	2,453,160
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS			5,914,153	6,128,665	779,607	3,464,627	2,854,943	609,684	21.4%	6,128,665

The disclosure on the transfer and grant expenditure table above reflect the recognition of expenditures as at 31 December 2015 amounts to R3 465m against the YTD budget of R2 855m.

(h) **Table SC7(2): Monthly Budget Statement – Expenditure against approved rollovers**

TSH City Of Tshwane - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M06 December

Description	Ref	Budget Year 2015/16				
		Approved Rollover 2014/15	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
<u>EXPENDITURE</u>						
<u>Operating expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
EPWP Incentive					-	
Finance Management					-	
Fuel Levy					-	
Integrated City Development Grant					-	
Local Government Equitable Share					-	
Municipal Disaster Recovery Grant					-	
Provincial Government:		-	-	-	-	
Emergency Medical Services					-	
HIV and Aids Grant					-	
Primary Health Care					-	
Sport and Recreation: Community Libraries					-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
<u>Capital expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
Energy Efficiency & Demand Side Management					-	
Urban Settlement Development Grant					-	
Water Affairs					-	
Provincial Government:		-	-	-	-	
					-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	-	-	

Request for rollovers was submitted to transferring authorities. Approved amounts will be incorporated upon approval of the 2015/16 Adjustments Budget.

(i) **Table SC8: Monthly Budget Statement – Councillor and Staff Benefits**

TSH City Of Tshwane - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
	1	A	B						D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		101,736	109,249	8,671	52,112	54,625	(2,513)	-5%	109,249
Motor Vehicle Allowance		8	—	—	—	—	—	—	—
Other benefits and allowances		2,449	—	453	2,242	1,250	992	79%	—
Sub Total - Councillors		104,193	109,249	9,124	54,354	55,875	(1,520)	-3%	109,249
% increase	4		4.9%						4.9%
Senior Managers of the Municipality	3								
Basic Salaries and Wages		50,567	50,618	5,631	27,317	25,309	2,008	8%	50,618
Cellphone Allowance		597	784	51	310	392	(82)	-21%	784
Sub Total - Senior Managers of Municipality		51,164	51,402	5,681	27,627	25,701	1,926	7%	51,402
% increase	4		0.5%						0.5%
Other Municipal Staff									
Basic Salaries and Wages		4,138,846	4,555,383	239,544	2,226,419	2,433,532	(207,113)	-9%	4,555,383
Pension and UIF Contributions		927,474	1,086,474	87,068	500,030	542,224	(42,194)	-8%	1,086,474
Medical Aid Contributions		373,612	386,466	32,656	193,754	193,384	370	0%	386,466
Overtime		305,415	187,582	28,747	175,090	100,560	74,530	74%	187,582
Performance Bonus		356	169	61	224	210	15	7%	169
Motor Vehicle Allowance		298,928	308,762	25,382	151,801	154,963	(3,162)	-2%	308,762
Cellphone Allowance		20,704	20,480	1,513	8,732	10,608	(1,876)	-18%	20,480
Housing Allowances		25,046	23,914	2,857	17,246	12,097	5,149	43%	23,914
Other benefits and allowances		280,389	317,889	27,357	150,270	161,568	(11,297)	-7%	317,889
Post-retirement benefit obligations	2	—	229,686	—	—	112,818	(112,818)	-100%	229,686
Sub Total - Other Municipal Staff		6,370,770	7,116,804	445,185	3,423,568	3,721,964	(298,396)	-8%	7,116,804
% increase	4		11.7%						11.7%
Total Parent Municipality		6,526,126	7,277,455	459,990	3,505,549	3,803,540	(297,991)	-8%	7,277,455
Unpaid salary, allowances & benefits in arrears:			44,501						44,501
Board Members of Entities									
Board Fees		3,647	4,549	482	2,301	1,997	305	15%	4,549
Sub Total - Board Members of Entities	2	3,647	4,549	482	2,301	1,997	305	15%	4,549
% increase	4		24.7%						24.7%
Senior Managers of Entities									
Basic Salaries and Wages		21,115	28,889	2,013	11,852	14,138	(2,286)	-16%	28,889
Pension and UIF Contributions		1,294	874	112	1,410	414	996	241%	874
Medical Aid Contributions		861	300	76	471	142	329	231%	300
Performance Bonus		17	437	—	115	207	(92)	-44%	437
Motor Vehicle Allowance		2,468	1,236	201	1,287	585	702	120%	1,236
Cellphone Allowance		416	447	27	167	219	(52)	-24%	447
Housing Allowances		207	208	66	183	99	84	85%	208
Other benefits and allowances		268	410	278	347	203	144	71%	410
Sub Total - Senior Managers of Entities		26,646	32,801	2,773	15,832	16,006	(174)	-1%	32,801
% increase	4		23.1%						23.1%
Other Staff of Entities									
Basic Salaries and Wages		58,962	68,454	5,919	31,298	32,641	(1,342)	-4%	68,454
Pension and UIF Contributions		10,042	11,860	1,043	4,512	5,616	(1,104)	-20%	11,860
Medical Aid Contributions		8,378	9,192	766	4,465	4,352	113	3%	9,192
Overtime		2,544	2,414	261	1,205	1,143	62	5%	2,414
Performance Bonus		364	4,486	—	—	2,124	(2,124)	-100%	4,486
Motor Vehicle Allowance		4,698	6,436	577	2,977	3,047	(70)	-2%	6,436
Cellphone Allowance		441	696	61	248	336	(88)	-26%	696
Housing Allowances		2,328	3,342	272	1,460	1,583	(122)	-8%	3,342
Other benefits and allowances		2,428	1,589	527	1,256	757	499	66%	1,589
Sub Total - Other Staff of Entities		90,184	108,469	9,425	47,420	51,597	(4,178)	-8%	108,469
% increase	4		20.3%						20.3%
Total Municipal Entities		120,477	145,819	12,679	65,554	69,600	(4,047)	-6%	145,819
TOTAL SALARY, ALLOWANCES & BENEFITS		6,646,604	7,423,274	472,669	3,571,102	3,873,140	(302,038)	-8%	7,423,274
% increase	4		11.7%						11.7%
TOTAL MANAGERS AND STAFF		6,538,764	7,309,476	463,064	3,514,447	3,815,269	(300,822)	-8%	7,309,476

(j) **Table SC9: Monthly Budget Statement – Actual and Revised targets for cash receipts**

TSH City Of Tshwane - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

Description	Ref	Budget Year 2015/16			2015/16 Medium Term Revenue & Expenditure Framework		
		Dec Budget	Dec Outcome	Dec Variance	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands	1						
Cash Receipts By Source							
Property rates		401,456	426,028	24,572	4,817,476	5,301,984	5,834,941
Service charges - electricity revenue		802,834	733,013	(69,821)	9,634,009	10,403,258	11,234,046
Service charges - water revenue		256,212	275,438	19,226	3,074,544	3,356,674	3,681,784
Service charges - sanitation revenue		60,927	63,577	2,650	731,125	799,064	877,781
Service charges - refuse		84,010	94,961	10,951	1,008,117	1,108,928	1,219,820
Service charges - other		11,698	–	(11,698)	140,374	146,691	152,999
Rental of facilities and equipment		8,622	9,637	1,015	103,469	108,126	112,808
Interest earned - external investments		5,877	3,584	(2,293)	70,549	107,100	112,328
Interest earned - outstanding debtors		10,089	32,937	22,849	122,592	129,758	138,462
Fines		16,391	24,537	8,146	196,691	196,812	196,932
Licences and permits		4,807	3,793	(1,013)	57,680	60,185	62,687
Transfer receipts - operating		299,387	477,909	178,522	3,666,857	3,971,581	4,312,525
Other revenue		68,128	50,876	(17,251)	820,451	826,440	846,490
Cash Receipts by Source		2,030,436	2,196,290	165,853	24,443,934	26,516,602	28,783,604
Other Cash Flows by Source							
Transfer receipts - capital		180,811	532,221	351,410	2,453,160	2,506,939	2,632,126
Contributions & Contributed assets		–	3,041	3,041	–	–	–
Proceeds on disposal of PPE		–	(1,152)	(1,152)	–	–	–
Short term loans		–	825,000	825,000	–	–	–
Borrowing long term/refinancing		–	–	–	1,200,000	1,200,000	1,500,000
Increase in consumer deposits		714	2,351	1,637	8,565	8,732	8,902
Receipt of non-current debtors		–	46,620	46,620	–	–	–
Receipt of non-current receivables		4,046	(20,490)	(24,536)	48,553	–	–
Change in non-current investments		4,667	25	(4,643)	56,007	(36,145)	(4,783)
Total Cash Receipts by Source		2,220,675	3,583,906	1,363,232	28,210,219	30,196,128	32,919,850
Cash Payments by Type							
Employee related costs		587,479	461,496	(125,983)	7,050,265	7,439,808	7,857,912
Remuneration of councillors		9,671	9,611	(60)	116,156	127,083	139,435
Interest paid		85,797	203,300	117,503	1,029,556	1,110,511	1,194,244
Bulk purchases - Electricity		567,081	700,292	133,211	6,804,972	7,349,370	7,937,320
Bulk purchases - Water & Sewer		164,755	178,359	13,603	1,977,064	2,153,721	2,355,004
Other materials		30,651	21,835	(8,816)	367,807	379,712	385,130
Contracted services		154,685	202,177	47,492	1,857,366	1,909,948	1,930,860
Grants and subsidies paid - other		21,608	13,374	(8,234)	259,298	267,387	268,475
General expenses		311,090	461,840	150,750	3,733,596	3,830,243	4,372,158
Cash Payments by Type		1,932,817	2,252,282	319,465	23,196,079	24,567,782	26,440,537
Other Cash Flows/Payments by Type							
Capital assets		278,979	356,854	77,875	3,783,366	3,922,744	4,091,520
Repayment of borrowing		46,696	892,606	845,910	560,350	674,945	817,929
Total Cash Payments by Type		2,258,492	3,501,742	1,243,250	27,539,795	29,165,472	31,349,985
NET INCREASE/(DECREASE) IN CASH HELD		(37,818)	82,165		670,424	1,030,656	1,569,865
Cash/cash equivalents at the month/year beginning:		1,059,937	615,841		1,203,476	1,873,900	2,904,557
Cash/cash equivalents at the month/year end:		1,022,119	698,006		1,873,900	2,904,557	4,474,421

(k) Table SC10: Monthly Budget Statement – Parent Municipality Financial Performance (Revenue and Expenditure)

TSH City Of Tshwane - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
Revenue By Source									
Property rates		4,892,151	5,236,387	426,028	2,589,631	2,618,390	(28,759)	-1%	5,236,387
Service charges - electricity revenue		8,738,616	10,471,749	729,759	4,959,542	5,240,967	(281,425)	-5%	10,471,749
Service charges - water revenue		2,822,029	3,169,195	252,194	1,550,891	1,588,347	(37,456)	-2%	3,169,195
Service charges - sanitation revenue		713,528	748,908	61,656	368,355	374,454	(6,099)	-2%	748,908
Service charges - refuse revenue		969,643	1,095,779	92,024	552,063	547,904	4,159	1%	1,095,779
Service charges - other		178,480	152,581	8,914	99,166	76,290	22,876	30%	152,581
Rental of facilities and equipment		114,055	109,112	9,302	53,257	54,556	(1,299)	-2%	109,112
Interest earned - external investments		36,874	69,774	3,445	20,142	34,887	(14,745)	-42%	69,774
Interest earned - outstanding debtors		338,769	182,050	29,213	180,208	91,025	89,183	98%	182,050
Fines		160,562	196,691	24,537	132,148	98,346	33,802	34%	196,691
Licences and permits		53,244	57,680	3,793	20,906	28,840	(7,934)	-28%	57,680
Transfers recognised - operational		3,082,094	3,419,706	516,732	2,366,888	1,709,853	657,036	38%	3,419,706
Other revenue		1,020,336	815,250	49,559	411,051	407,632	3,418	1%	815,250
Gains on disposal of PPE		20,441	-	-	600	-	600		-
Total Revenue (excluding capital transfers and contribution)		23,140,821	25,724,863	2,207,156	13,304,848	12,871,492	433,357	3%	25,724,863
Expenditure By Type									
Employee related costs		6,202,413	6,917,257	449,303	3,442,153	3,623,848	(181,695)	-5%	6,917,257
Remuneration of councillors		104,193	111,749	9,124	54,354	55,875	(1,520)	-3%	111,749
Debt impairment		721,972	1,018,116	17,110	118,000	509,058	(391,058)	-77%	1,018,116
Depreciation & asset impairment		1,449,150	1,186,841	98,769	539,131	593,420	(54,289)	-9%	1,186,841
Finance charges		996,548	1,029,202	203,268	526,845	514,601	12,244	2%	1,029,202
Bulk purchases		7,717,077	8,613,398	864,828	4,958,874	4,300,353	658,521	15%	8,613,398
Other materials		268,561	349,093	21,835	121,002	173,275	(52,273)	-30%	349,093
Contracted services		2,936,656	1,939,756	199,106	1,403,631	952,713	450,917	47%	1,939,756
Transfers and grants		217,335	259,298	13,374	55,828	127,074	(71,246)	-56%	259,298
Other expenditure		3,721,642	3,715,237	329,195	1,673,968	1,911,802	(237,833)	-12%	3,715,237
Loss on disposal of PPE		192,399	-	1,152	1,802	1	1,802	360377%	-
Total Expenditure		24,527,946	25,139,948	2,207,063	12,895,588	12,762,019	133,570	1%	25,139,948
Surplus/(Deficit)		(1,387,125)	584,915	93	409,260	109,473	299,787	274%	584,915
Transfers recognised - capital		2,564,982	2,453,160	367,723	953,305	1,133,505	(180,200)	-16%	2,453,160
Surplus/(Deficit) after capital transfers & contributions		1,177,856	3,038,075	367,815	1,362,565	1,242,978	119,587	10%	3,038,075
Taxation		-	-	-	-	-	-		
Surplus/(Deficit) after taxation		1,177,856	3,038,075	367,815	1,362,565	1,242,978	119,587	10%	3,038,075

(I) Table SC11: Monthly Budget Statement – Summary of Municipal Entities

TSH City Of Tshwane - Supporting Table SC11 Monthly Budget Statement - summary of municipal entities - M06 December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Revenue By Municipal Entity</u>									
Housing Company Tshwane		19,745	27,417	1,948	10,054	13,142	(3,088)	-23%	27,417
Sandspruit Works Association		525,326	486,305	52,276	294,887	250,668	44,219	18%	486,305
Tshwane Economic Development Agency		62,330	57,247	70	29,193	30,084	(891)	-3%	57,247
Total Operating Revenue	1	607,402	570,969	54,294	334,134	293,893	40,241	14%	570,969
<u>Expenditure By Municipal Entity</u>									
Housing Company Tshwane		16,262	27,417	3,593	9,944	13,787	(3,843)	-28%	27,417
Sandspruit Works Association		519,839	486,305	50,306	291,898	225,494	66,404	29%	486,305
Tshwane Economic Development Agency		57,899	57,247	8,490	28,446	28,469	(23)	0%	57,247
Total Operating Expenditure	2	594,000	570,969	62,389	330,288	267,751	62,537	23%	570,969
Surplus/ (Deficit) for the yr/period		13,402	(0)	(8,095)	3,846	26,143	102,778	393%	(0)
<u>Capital Expenditure By Municipal Entity</u>									
Housing Company Tshwane		-	-	-	-	-	-	-	-
Sandspruit Works Association		-	-	-	-	-	-	-	-
Tshwane Economic Development Agency		-	-	-	-	-	-	-	-
Total Capital Expenditure	3	-	-	-	-	-	-	-	-

(m) Table SC12: Consolidated Monthly Budget Statement – Capital Expenditure Trend

TSH City Of Tshwane - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M06 December

Month	2014/15	Budget Year 2015/16						
	Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
Monthly expenditure performance trend								
July	11,590	160,072	55,244	55,244	160,072	104,828	65.5%	1.43%
August	389,256	271,874	114,501	169,745	431,946	262,201	60.7%	4%
September	387,683	322,036	216,442	386,187	753,982	367,795	48.8%	10%
October	282,387	273,468	281,690	667,877	1,027,449	359,573	35.0%	17%
November	280,581	289,420	430,224	1,098,100	1,316,869	218,769	16.6%	28%
December	430,030	316,820	356,854	1,454,954	1,633,690	178,736	10.9%	38%
January	75,204	229,815			1,863,505	–		
February	220,185	275,360			2,138,865	–		
March	285,899	326,287			2,465,152	–		
April	270,658	421,008			2,886,160	–		
May	336,845	387,370			3,273,530	–		
June	1,146,193	583,036			3,856,566	–		
Total Capital expenditure	4,116,511	3,856,566	1,454,954					

(n) Table SC13a: Consolidated Monthly Budget Statement – Capital expenditure on new assets by asset class

TSH City Of Tshwane - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure		1,770,146	1,770,442	164,627	692,360	736,956	44,596	6.1%	1,770,442
Infrastructure - Road transport		1,471,211	1,389,635	134,551	537,832	563,438	25,606	4.5%	1,389,635
Roads, Pavements & Bridges		1,313,331	882,293	71,483	373,900	367,338	(6,562)	-1.8%	882,293
Storm water		157,880	507,342	63,069	163,932	196,100	32,168	16.4%	507,342
Infrastructure - Electricity		96,855	109,000	8,602	54,826	23,900	(30,926)	-129.4%	109,000
Generation		89,695	108,000	8,602	54,826	23,500	(31,326)	-133.3%	108,000
Transmission & Reticulation		7,160	1,000	-	-	400	400	100.0%	1,000
Infrastructure - Water		48,644	57,500	5,474	21,273	48,715	27,442	56.3%	57,500
Dams & Reservoirs		48,644	57,500	5,474	21,273	48,715	27,442	56.3%	57,500
Infrastructure - Sanitation		1,500	-	-	-	-	-		-
Reticulation		1,500	-	-	-	-	-		-
Infrastructure - Other		151,936	214,307	15,999	78,429	100,903	22,474	22.3%	214,307
Waste Management		26,444	5,000	1,946	4,147	3,000	(1,147)	-38.2%	5,000
Other		125,493	209,307	14,053	74,283	97,903	23,621	24.1%	209,307
Community		149,488	216,000	11,113	43,883	89,600	45,717	51.0%	216,000
Sportsfields & stadia		49,816	91,000	7,253	10,415	27,800	17,385	62.5%	91,000
Libraries		36,083	6,000	-	-	1,600	1,600	100.0%	6,000
Recreational facilities		-	10,000	-	-	5,400	5,400	100.0%	10,000
Security and policing		1,934	10,000	-	-	4,000	4,000	100.0%	10,000
Clinics		45,163	78,000	2,894	29,878	39,800	9,922	24.9%	78,000
Cemeteries		16,492	21,000	966	3,590	11,000	7,410	67.4%	21,000
Investment properties		-	57,100	-	-	19,000	19,000	100.0%	57,100
Other		-	57,100	-	-	19,000	19,000	100.0%	57,100
Other assets		102,805	18,301	2,222	4,117	7,926	3,809	48.1%	18,301
Specialised vehicles		120	-	-	-	-	-		-
Furniture and other office equipment		35,074	12,801	959	2,003	4,826	2,822	58.5%	12,801
Markets		5,422	5,500	1,264	2,114	3,100	986	31.8%	5,500
Other Buildings		62,189	-	-	-	-	-		-
Intangibles		-	130,773	-	116,271	114,883	(1,388)	-1.2%	130,773
Computers - software & programming		-	130,773	-	116,271	114,883	(1,388)	-1.2%	130,773
Total Capital Expenditure on new assets	1	2,022,440	2,192,616	177,962	856,632	968,365	111,733	11.5%	2,192,616
Specialised vehicles									
Refuse		-	-	-	-	-	-		-
Fire		120	-	-	-	-	-		-
Ambulances		-	-	-	-	-	-		-

(o) Table SC13b: Consolidated Monthly Budget Statement – Capital expenditure on renewal of existing assets by asset class

TSH City Of Tshwane - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M06 December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure		894,038	731,450	108,187	408,270	375,400	(32,870)	-8.8%	731,450
Infrastructure - Road transport		31,808	28,450	2,641	5,270	11,800	6,530	55.3%	28,450
Roads, Pavements & Bridges		31,808	26,150	2,624	4,368	11,400	7,032	61.7%	26,150
Storm water		-	2,300	17	902	400	(502)	-125.4%	2,300
Infrastructure - Electricity		454,213	338,500	17,475	130,887	135,150	4,263	3.2%	338,500
Generation		304,361	225,000	10,014	79,456	88,200	8,744	9.9%	225,000
Transmission & Reticulation		96,435	43,500	2,612	27,015	17,450	(9,565)	-54.8%	43,500
Street Lighting		53,417	70,000	4,849	24,416	29,500	5,084	17.2%	70,000
Infrastructure - Water		260,612	182,429	70,985	205,006	112,450	(92,556)	-82.3%	182,429
Reticulation		260,612	182,429	70,985	205,006	112,450	(92,556)	-82.3%	182,429
Infrastructure - Sanitation		124,982	115,071	11,524	45,010	83,500	38,490	46.1%	115,071
Reticulation		116,870	90,000	11,429	41,098	61,500	20,402	33.2%	90,000
Sewerage purification		8,112	25,071	96	3,912	22,000	18,088	82.2%	25,071
Infrastructure - Other		22,423	67,000	5,563	22,097	32,500	10,403	32.0%	67,000
Waste Management		2,000	12,000	4,000	8,321	7,500	(821)	-11.0%	12,000
Transportation		20,423	55,000	1,563	13,776	25,000	11,224	44.9%	55,000
Community		196,714	151,000	1,165	22,867	69,000	46,133	66.9%	151,000
Parks & gardens		19,810	35,000	241	327	15,000	14,673	97.8%	35,000
Fire, safety & emergency		-	2,000	-	1,066	-	(1,066)		2,000
Security and policing		1,906	-	-	-	-	-		-
Clinics		-	7,000	-	-	1,500	1,500	100.0%	7,000
Cemeteries		-	7,000	924	924	2,500	1,576	63.0%	7,000
Other		174,998	100,000	-	20,551	50,000	29,449	58.9%	100,000
Investment properties		873,235	675,500	67,187	158,699	172,825	14,127	8.2%	675,500
Housing development		873,235	670,500	67,187	158,699	171,825	13,127	7.6%	670,500
Other		-	5,000	-	-	1,000	1,000	100.0%	5,000
Other assets		128,491	106,000	2,352	8,487	48,100	39,613	82.4%	106,000
General vehicles		3,981	-	-	-	-	-		-
Specialised vehicles		-	-	-	-	-	-		-
Plant & equipment		983	3,000	-	-	1,100	1,100	100.0%	3,000
Computers - hardware/equipment		29,708	15,000	-	468	5,000	4,532	90.6%	15,000
Furniture and other office equipment		11,440	13,000	514	934	6,500	5,566	85.6%	13,000
Abattoirs		-	-	-	-	-	-		-
Markets		-	-	-	-	-	-		-
Civic Land and Buildings		-	-	-	-	-	-		-
Other Buildings		68,197	38,500	1,807	2,946	20,000	17,054	85.3%	38,500
Other Land		-	-	-	-	-	-		-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-		-
Other		14,182	36,500	31	4,138	15,500	11,362	73.3%	36,500
Agricultural assets		-	-	-	-	-	-		-
List sub-class		-	-	-	-	-	-		-
Biological assets		-	-	-	-	-	-		-
List sub-class		-	-	-	-	-	-		-
Intangibles		-	-	-	-	-	-		-
Computers - software & programming		-	-	-	-	-	-		-
Other		-	-	-	-	-	-		-
Total Capital Expenditure on renewal of existing assets	1	2,092,478	1,663,950	178,892	598,323	665,325	67,002	10.1%	1,663,950
Specialised vehicles		-	-	-	-	-	-		-
Fire		-	-	-	-	-	-		-
Ambulances		-	-	-	-	-	-		-

(p) Table SC13c: Consolidated Monthly Budget Statement – Capital expenditure on repairs and maintenance by asset class

TSH City Of Tshwane - Supporting Table SC13c Consolidated Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure		677,161	801,393	75,649	388,804	395,395	6,592	1.7%	801,393
Infrastructure - Road transport		150,252	120,794	11,622	66,118	62,615	(3,502)	-5.6%	120,794
Roads, Pavements & Bridges		121,099	101,028	11,238	60,801	52,732	(8,069)	-15.3%	101,028
Storm water		29,153	19,766	384	5,316	9,883	4,566	46.2%	19,766
Infrastructure - Electricity		352,668	386,114	38,478	232,873	217,658	(15,215)	-7.0%	386,114
Generation		60,434	74,019	2,297	20,255	37,009	16,754	45.3%	74,019
Transmission & Reticulation		236,990	289,193	30,932	175,938	151,947	(23,991)	-15.8%	289,193
Street Lighting		55,244	22,903	5,249	36,680	28,701	(7,979)	-27.8%	22,903
Infrastructure - Water		84,148	231,797	19,421	60,788	76,176	15,388	20.2%	231,797
Dams & Reservoirs		11,661	4,743	156	3,961	2,371	(1,590)	-67.0%	4,743
Water purification		11,209	8,898	733	2,771	6,333	3,562	56.2%	8,898
Reticulation		61,277	218,157	18,532	54,056	67,472	13,416	19.9%	218,157
Infrastructure - Sanitation		57,266	49,337	4,449	21,262	29,720	8,458	28.5%	49,337
Reticulation		16,100	11,018	960	4,870	10,561	5,691	53.9%	11,018
Sewerage purification		41,166	38,318	3,489	16,393	19,159	2,767	14.4%	38,318
Infrastructure - Other		32,828	13,351	1,678	7,763	9,226	1,463	15.9%	13,351
Waste Management		32,828	13,351	1,678	7,763	9,226	1,463	15.9%	13,351
Community		216,283	202,263	17,914	77,896	108,190	30,294	28.0%	202,263
Parks & gardens		31,208	32,910	2,683	12,552	16,424	3,872	23.6%	32,910
Sportsfields & stadia		181	198	-	-	99	99	100.0%	198
Recreational facilities		13,020	12,925	1,229	7,231	7,799	568	7.3%	12,925
Fire, safety & emergency		21,953	15,449	1,940	14,327	11,849	(2,478)	-20.9%	15,449
Security and policing		41,034	32,520	1,393	5,994	17,235	11,240	65.2%	32,520
Buses		4,123	3,882	868	2,361	2,545	185	7.3%	3,882
Museums & Art Galleries		1	-	-	-	-	-	-	-
Cemeteries		5,672	6,361	594	2,424	3,230	806	24.9%	6,361
Other		99,091	98,018	9,206	33,007	49,008	16,001	32.7%	98,018
Other assets		493,888	435,605	24,640	135,602	235,953	100,350	42.5%	435,605
General vehicles		208,030	198,820	6,626	37,765	99,313	61,548	62.0%	198,820
Specialised vehicles		-	-	-	-	-	-	-	-
Plant & equipment		23,062	34,141	1,135	7,532	24,755	17,223	69.6%	34,141
Computers - hardware/equipment		5,718	3,309	303	1,518	1,674	155	9.3%	3,309
Furniture and other office equipment		14,354	14,388	1,318	4,745	8,357	3,612	43.2%	14,388
Abattoirs		-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-
Civic Land and Buildings		1,646	1,491	27	263	745	483	64.7%	1,491
Other Buildings		133,138	102,851	9,804	51,791	58,048	6,257	10.8%	102,851
Other Land		79,581	76,018	4,464	28,693	40,589	11,897	29.3%	76,018
Other		28,360	4,587	962	3,295	2,471	(824)	-33.4%	4,587
Intangibles		101,241	73,767	3,791	51,879	37,284	(14,596)	-39.1%	73,767
Computers - software & programming		101,241	73,767	3,791	51,879	37,284	(14,596)	-39.1%	73,767
Other		-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure		1,488,573	1,513,028	121,994	654,181	776,821	122,640	15.8%	1,513,028
Specialised vehicles		-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-

(q) Table SC13d: Consolidated Monthly Budget Statement - Depreciation by asset class

TSH City Of Tshwane - Supporting Table SC13d Consolidated Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2014/15	Budget Year 2015/16						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
Depreciation by Asset Class/Sub-class									
Infrastructure		939,237	771,204	75,672	408,584	404,712	(3,872)	-1.0%	771,204
Infrastructure - Road transport		529,877	437,122	38,053	201,614	209,290	7,676	3.7%	437,122
Roads, Pavements & Bridges		474,218	280,026	20,555	140,424	137,797	(2,626)	-1.9%	280,026
Storm water		55,659	157,096	17,498	61,191	71,493	10,303	14.4%	157,096
Infrastructure - Electricity		194,275	137,941	7,233	68,942	57,868	(11,074)	-19.1%	137,941
Generation		138,921	102,647	5,164	49,849	40,640	(9,209)	-22.7%	102,647
Transmission & Reticulation		36,522	13,717	725	10,029	6,494	(3,534)	-54.4%	13,717
Street Lighting		18,832	21,577	1,345	9,064	10,733	1,669	15.6%	21,577
Infrastructure - Water		109,026	73,958	21,208	84,001	58,637	(25,364)	-43.3%	73,958
Dams & Reservoirs		17,149	17,724	1,518	7,897	17,724	9,827	55.4%	17,724
Reticulation		91,877	56,233	19,689	76,104	40,913	(35,191)	-86.0%	56,233
Infrastructure - Sanitation		44,590	35,471	3,197	16,709	30,380	13,671	45.0%	35,471
Reticulation		41,730	27,742	3,170	15,257	22,376	7,119	31.8%	27,742
Sewerage purification		2,860	7,728	27	1,452	8,004	6,552	81.9%	7,728
Infrastructure - Other		61,469	86,712	5,981	37,318	48,537	11,218	23.1%	86,712
Waste Management		10,028	5,240	1,649	4,628	3,820	(808)	-21.2%	5,240
Transportation		7,200	16,954	433	5,114	9,096	3,982	43.8%	16,954
Other		44,241	64,518	3,898	27,576	35,620	8,045	22.6%	64,518
Community		122,051	113,127	3,406	24,780	57,704	32,924	57.1%	113,127
Parks & gardens		6,984	10,789	67	121	5,457	5,336	97.8%	10,789
Sportsfields & stadia		17,562	28,051	2,012	3,866	10,115	6,248	61.8%	28,051
Libraries		12,721	1,849	-	-	582	582	100.0%	1,849
Recreational facilities		-	3,082	-	-	1,965	1,965	100.0%	3,082
Fire, safety & emergency		-	616	-	396	-	(396)		616
Security and policing		1,354	3,082	-	-	1,455	1,455	100.0%	3,082
Clinics		15,922	26,201	803	11,092	15,026	3,935	26.2%	26,201
Cemeteries		5,814	8,631	524	1,676	4,912	3,236	65.9%	8,631
Other		61,694	30,825	-	7,629	18,192	10,563	58.1%	30,825
Investment properties		307,852	225,823	18,636	58,913	69,792	10,879	15.6%	225,823
Housing development		307,852	206,681	18,636	58,913	62,516	3,602	5.8%	206,681
Other		-	19,142	-	-	7,277	7,277	100.0%	19,142
Other assets		81,541	38,316	1,269	4,679	20,384	15,705	77.0%	38,316
General vehicles		1,403	-	-	-	-	-		-
Specialised vehicles		42	-	-	-	-	-		-
Plant & equipment		347	925	-	-	400	400	100.0%	925
Computers - hardware/equipment		10,473	4,624	-	174	1,819	1,645	90.4%	4,624
Furniture and other office equipment		16,398	7,953	408	1,090	4,121	3,030	73.5%	7,953
Markets		1,911	1,695	350	785	1,128	343	30.4%	1,695
Other Buildings		45,967	11,868	501	1,094	7,277	6,183	85.0%	11,868
Other		5,000	11,251	9	1,536	5,639	4,103	72.8%	11,251
Intangibles		-	40,311	-	43,163	41,798	(1,365)	-3.3%	40,311
Computers - software & programming		-	40,311	-	43,163	41,798	(1,365)	-3.3%	40,311
Total Depreciation		1,450,681	1,188,780	98,982	540,119	594,390	54,271	9.1%	1,188,780
Specialised vehicles		42	-	-	-	-	-		-
Fire		42	-	-	-	-	-		-
Ambulances		-	-	-	-	-	-		-

(r) Municipal manager's quality certification.

QUALITY CERTIFICATE

I, **JASON NGOBENI**, the City Manager of the City of Tshwane, hereby certify that -

- ☐ the monthly budget statement
- ☐ quarterly report on the implementation of the budget and financial state affairs of the municipality
- ☐ mid-year budget and performance assessment

For the month of **December 2015** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: **JASON NGOBENI**

City Manager of the City of Tshwane (TSH)

Signature: _____

Date: _____