

F1/5/2
Umar Banda (012 358 8110)
SECTION 79 OVERSIGHT COMMITTEE: FINANCE
MAYORAL COMMITTEE: 18 JANUARY 2017

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 2016; AND
(2) MID-YEAR BUDGET ASSESSMENT

1. PURPOSE

The purpose of this report is:

- to seek approval of the mid-term financial performance report for the period ended 31 December 2016; and
- to comply with Sections 52(d), 71 and 72 of the MFMA and Municipal Budget and Reporting Regulations.

2. STRATEGIC OBJECTIVE

To improve financial sustainability

3. BACKGROUND

Section 52(d) and 71 of the MFMA and the Municipal Budget and Reporting Regulations require 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 with section 52(d) relating to the reporting to Council, the 30 days limit expires on **30 January 2017**.

The ten working day reporting limit in compliance with section 71(1) relating to the reporting period ended 31 December 2016 expires on **16 January 2017**.

Further, Regulation 31(1) of *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 30 May 2016, Council approved the 2016/17 Medium-term Revenue and Expenditure Framework (MTREF) for the City of Tshwane.

The attached in-year report (Annexure A) provides a high-level analysis as at 31 December 2016 in the format legislated. Material variances are briefly referred to in this report. Comprehensive explanations will be included in the monthly corporate financial report.

The operating revenue excluding capital transfers and contributions for the City of Tshwane reflects an unfavourable variance of R235 million or 1,5% against the year-to-date (YTD) budget for the period ended 31 December 2016.

The operating expenditure is under-spent by R1 840 million, or 12,4% less than projected compared to the YTD budget for the period.

The capital expenditure for the period amounts to R1 168 million, a variance of R1 029 million or 46,8%. Percentage spending against the total budget amounts to 26,2%.

Although the mid-term results for revenue and expenditure reflect a favourable variance at this stage, the following impending shortfalls and overspending need to be addressed:

- Under-recovery of service charges revenue by R1,2 billion as a result of the following:
 - Under-recovery on electricity revenue. Based on the previous financial year's actual electricity billed, it is projected that the under-recovery on electricity sales will be approximately R800 million.
 - Due to a decline in water usage with the implementation of the current water restrictions, it is projected that the revenue from water will be under the budget by approximately R500 million.
- Projected overspending on certain line items: overtime salaries, interest payable: external loans and leased buildings, leave provisions and depreciation.
- A negative variance on cash flow as a result of the previous year's unauthorised expenditure.
- The possible under-recovery on revenue and possible overspending on expenditure will impact on the City's cash flow.

5. INTERDEPARTMENTAL AND CLUSTER IMPACT

The Section 79 Oversight Committee: Finance and the Mayoral Committee will be provided with a corporate monthly financial report with comprehensive detail.

6. COMMENTS OF THE GROUP LEGAL COUNSEL

The above-mentioned report as such does not call for legal clarification.

7. IMPLICATIONS

- Human resources

Not applicable.

- Finances (budget and value for money)

This report discusses the financial status of the Municipality for the period ended 31 December 2016. 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 Council with regard to impending shortfalls, overspending and overdrafts in terms of section 70 of the MFMA.

- Constitutional and legal factors

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

- Communication

In compliance with legislative requirements (section 71 of the MFMA), this document is provided to all stakeholders by placing it on the Tshwane public website.

- Previous Mayoral Committee resolutions

Not applicable.

8. CONCLUSION

This report meets the National Treasury-regulated requirements as published in *Government Gazette* 32141 of 17 April 2009 and section 52(d), 71 and 72 of the MFMA.

Mid-term financial assessment

Although the mid-term results on revenue and expenditure reflect a favourable variance at this stage, the following impending shortfalls and overspending need to be addressed:

- Under-recovery of service charges revenue by R1,2 billion as a result of the following:
 - Under-recovery on electricity revenue. Based on the previous financial year's actual electricity billed, it is projected that the under-recovery on electricity sales will be approximately R800 million.
 - Due to a decline in water usage with the implementation of the current water restrictions, it is projected that the revenue from water will be under the budget by approximately R500 million.
- Projected overspending on certain line items: overtime salaries, interest payable: external and leased buildings, leave provisions and depreciation.
- A negative variance on cash flow as a result of the previous year's unauthorised expenditure.
- The possible under-recovery on revenue and possible overspending on expenditure will impact on the City's cash flow.

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

ANNEXURES

A. In-year report in terms of GG 32141 of 17 April 2009

RECOMMENDED

It is recommended to the Section 79 Oversight Committee: Finance and the Mayoral Committee:

- (a) 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 2016 to 31 December 2016 of the 2016/17 financial year, and supporting documents as required by National Treasury (Schedule C) be considered by the Executive Mayor and be approved by Council.
- (b) That, in order to comply with section 31(1) of *Government Gazette* No 32141 of 17 April 2009, this report be submitted to National Treasury and the relevant Provincial Treasury **within five (5) days** of tabling the report in Council, in both a Council-approved document and in an electronic format.
- (c) That, in compliance with section 72 of the MFMA, the in-year report also serve as the mid-year budget review for the period ended 31 December 2016.
- (d) That an adjustments budget for the 2016/17 financial year be justified, based on, amongst others, the following necessities:
 - (a) To adjust operating revenue sources downwards in line with performance trends and approved tariffs;
 - (b) To facilitate the inclusion of additional/rollover grant funding and the removal of retracted grant funding;
 - (c) To reprioritise budget allocations, correct errors and transfer budget allocations so that funding reflects against the correct functions;
 - (d) To align reporting to the newly approved organisational structure;
 - (e) To accommodate personnel cost adjustments; and
 - (f) To review line items such as depreciation and interest payable to ensure adequate funding.

REPORT – FLOW COMPLIANCE CHECK

FILE: **F1/5/2**

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 2016; AND

(2) MID-YEAR BUDGET ASSESSMENT

REPORT CHECKED AND PASSED FOR SUBMISSION TO: SECTION 79 OVERSIGHT COMMITTEE: FINANCE & MAYORAL COMMITTEE

	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 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:			
ACTING EXECUTIVE DIRECTOR: REVENUE MANAGEMENT: D PILLAY 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 GROUP CHIEF FINANCIAL OFFICER – U BANDA REPORT ALSO BEARS APPROVAL OF: AGCFO <input type="checkbox"/> SIGNATURE: DATE:			
MMC: FINANCE MARE-LISE FOURIE REPORT ALSO BEARS APPROVAL FOR LATE SUBMISSION: YES <input type="checkbox"/> NO <input type="checkbox"/> SIGNATURE: DATE:			



IN-YEAR REPORT

BUDGET YEAR: 2016/17

REPORTING PERIOD: M06 DECEMBER 2016

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PART 1 – IN-YEAR REPORT

1.1 MAYOR’S REPORT

On 30 May 2016, Council approved the Medium-term Revenue and Expenditure Framework for the 2016/17 financial year giving effect to the financial plan of the City of Tshwane, including its three entities.

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

Based on the financial performance of the Municipality during the first half of the financial year, there is a need to adjust the revenue downwards and accordingly align the expenditure with the anticipated revenue.

1.2 RESOLUTIONS

It is recommended to the Section 79 Oversight Committee: Finance and the Mayoral Committee:

- a. 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 2016 to 31 December 2016 of the 2016/17 financial year, and supporting documents as required by National Treasury (Schedule C) be considered by the Executive Mayor and be approved by Council.
- b. That, in order to comply with section 31(1) of *Government Gazette* No 32141 of 17 April 2009, this report be submitted to National Treasury and the relevant Provincial Treasury within five (5) days of tabling the report in Council, in both a Council-approved document and in an electronic format.
- c. That, in compliance with section 72 of the MFMA, the in-year report also serve as the mid-year budget review for the period ended 31 December 2016.
- d. That an adjustments budget for the 2016/17 financial year be justified, based on, amongst others, the following necessities:
 - To adjust operating revenue sources downwards in line with performance trends and approved tariffs;
 - To facilitate the inclusion of additional/rollover grant funding and the removal of retracted grant funding;
 - To reprioritise budget allocations, correct errors and transfer budget allocations so that funding reflects against the correct functions;
 - To align reporting to the newly approved organisational structure;
 - To accommodate personnel cost adjustments; and

- To review line items such as depreciation and interest payable to ensure adequate funding.

1.3 EXECUTIVE SUMMARY

The financial results of the City of Tshwane for the period ended 31 December 2016 are summarised as follows:

Consolidated Monthly Budget Statement – Summary

The Consolidated Monthly Budget Statement – Summary as reflected in Table C1 below contains information on the following:

- Financial performance
- Capital expenditure and fund sources
- Financial position
- Cash flows
- Debtors and creditors analysis

More particularly, it provides information on the unaudited outcome, original budget, the performance for the month and for the period under review, culminating in the YTD variance and YTD variance percentage.

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

Description	2015/16	Budget Year 2016/17							
	Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	5,384,019	5,764,124	–	413,777	2,881,483	2,823,552	57,931	2%	5,764,124
Service charges	14,688,150	17,719,923	–	1,331,855	8,919,574	8,927,663	(8,090)	-0%	17,719,923
Investment revenue	56,000	43,089	–	6,507	40,129	21,555	18,574	86%	43,089
Transfers recognised - operational	3,516,826	4,240,323	–	1,157,056	2,742,330	2,739,820	2,510	0%	4,240,323
Other own revenue	1,859,436	2,442,410	–	206,656	914,971	1,220,416	(305,445)	-25%	2,442,410
Total Revenue (excluding capital transfers and contributions)	25,504,431	30,209,869	–	3,115,851	15,498,487	15,733,006	(234,519)	-1%	30,209,869
Employee costs	7,373,112	7,622,096	–	650,511	3,879,627	4,017,551	(137,923)	-3%	7,622,096
Remuneration of Councillors	115,259	125,834	–	9,811	58,068	62,856	(4,788)	-8%	125,834
Depreciation & asset impairment	1,418,436	1,258,208	–	123,320	671,049	629,116	41,933	7%	1,258,208
Finance charges	1,137,297	1,057,982	–	347,482	553,674	518,321	35,353	7%	1,057,982
Materials and bulk purchases	9,037,782	10,240,550	–	719,837	4,775,023	5,147,516	(372,493)	-7%	10,240,550
Transfers and grants	326,791	288,055	–	2,542	(200,579)	144,027	(344,606)	-239%	288,055
Other expenditure	8,133,707	7,689,226	–	605,383	3,207,762	4,265,106	(1,057,344)	-25%	7,689,226
Total Expenditure	27,542,384	28,281,950	–	2,458,885	12,944,624	14,784,492	(1,839,868)	-12%	28,281,950
Surplus/(Deficit)	(2,037,953)	1,927,919	–	656,966	2,553,863	948,514	1,605,349	169%	1,927,919
Transfers recognised - capital	2,452,210	2,370,209	–	208,301	931,466	1,185,104	(253,639)	-21%	2,370,209
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	414,257	4,298,127	–	865,266	3,485,328	2,133,618	1,351,710	63%	4,298,127
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	414,257	4,298,127	–	865,266	3,485,328	2,133,618	1,351,710	63%	4,298,127
Capital expenditure & funds sources									
Capital expenditure	3,968,594	4,465,209	–	249,294	1,168,354	2,197,098	(1,028,744)	-47%	4,465,209
Capital transfers recognised	2,452,210	2,370,209	–	214,073	949,163	1,185,874	(236,711)	-20%	2,370,209
Public contributions & donations	155,127	110,000	–	5,549	29,952	39,953	(10,000)	-25%	110,000
Borrowing	1,194,839	1,000,000	–	26,609	183,883	480,022	(296,138)	-62%	1,000,000
Internally generated funds	166,418	985,000	–	3,064	5,355	491,250	(485,895)	-99%	985,000
Total sources of capital funds	3,968,594	4,465,209	–	249,294	1,168,354	2,197,098	(1,028,744)	-47%	4,465,209
Financial position									
Total current assets	5,510,890	7,720,990	–	–	5,476,268	–	–	–	7,720,990
Total non current assets	36,565,903	41,070,534	–	–	36,981,815	–	–	–	41,070,534
Total current liabilities	8,991,902	6,865,941	–	–	5,446,065	–	–	–	6,865,941
Total non current liabilities	14,217,384	15,518,491	–	–	14,854,105	–	–	–	15,518,491
Community wealth/Equity	18,867,507	26,407,092	–	–	22,157,913	–	–	–	26,407,092
Cash flows									
Net cash from (used) operating	3,175,968	5,692,612	–	570,215	(183,839)	2,921,404	3,105,242	106%	5,692,612
Net cash from (used) investing	(3,297,106)	(4,881,039)	–	(339,635)	(248,498)	(2,443,260)	(2,194,762)	90%	(4,881,039)
Net cash from (used) financing	706,669	305,283	–	(144,637)	703,138	126,188	(576,950)	-457%	305,283
Cash/cash equivalents at the month/year end	1,186,049	3,129,652	–	–	1,456,850	2,617,128	1,160,278	44%	2,302,905
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Income Source	1,395,781	211,946	228,848	235,202	260,298	384,206	987,413	4,682,000	8,385,695
Creditors Age Analysis									
Total Creditors	3,736,625	–	–	–	–	–	–	–	3,736,625

Table C1 above reflects that the total consolidated operating revenue budget plan of the City of Tshwane amounts to R30 210 million and the operating expenditure budget plan equates to R28 282 million, thereby projecting an annual surplus of R1 928 million for the 2016/17 financial year.

The summary table above and the summary statement below indicate the financial performance for the period from 1 July 2016 to 31 December 2016. The actual operating revenue realised (excluding capital transfers) amounts to R15 498 million, an unfavourable variance of R235 million or 1,5% against the YTD budget of R15 733 million. The operating expenditure amounts to R12 945 million, a favourable variance of R1 840 million or 12,4% against the YTD budget of R14 784 million. A

favourable variance of R1 605 million is reflected when the YTD actual is compared to the YTD budget.

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)	15,733,006	15,498,487	(234,519)	-1.5%
Total Operating Expenditure	14,784,492	12,944,624	(1,839,868)	-12.4%
SURPLUS/DEFICIT	948,514	2,553,863	1,605,349	

The reasons for variances for all votes are captured in Table SC1 of this report.

The financial performance of revenue by source and expenditure by type are presented in Table C4 below. The total revenue excludes the capital transfers and contributions.

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

December

Description	Ref	2015/16	Budget Year 2016/17						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates		5,384,019	5,764,124	413,777	2,881,483	2,823,552	57,931	2%	5,764,124
Service charges - electricity revenue		9,340,209	11,360,246	881,000	6,144,635	5,825,840	318,795	5%	11,360,246
Service charges - water revenue		3,226,514	3,995,130	258,676	1,599,779	1,943,983	(344,204)	-18%	3,995,130
Service charges - sanitation revenue		760,693	949,597	67,319	417,193	466,974	(49,781)	-11%	949,597
Service charges - refuse revenue		1,128,046	1,205,390	95,173	611,981	589,053	22,927	4%	1,205,390
Service charges - other		232,687	209,560	29,688	145,986	101,812	44,174	43%	209,560
Rental of facilities and equipment		135,156	136,321	10,321	59,805	67,746	(7,942)	-12%	136,321
Interest earned - external investments		56,000	43,089	6,507	40,129	21,555	18,574	86%	43,089
Interest earned - outstanding debtors		406,006	238,451	52,964	277,844	119,786	158,057	132%	238,451
Fines		160,585	198,658	96,336	155,600	99,329	56,271	57%	198,658
Licences and permits		48,743	60,564	4,301	22,081	30,282	(8,201)	-27%	60,564
Agency services		—	9,299	—	—	4,649	(4,649)	-100%	9,299
Transfers recognised - operational		3,516,826	4,240,323	1,157,056	2,742,330	2,739,820	2,510	0%	4,240,323
Other revenue		943,682	1,799,117	42,734	399,642	898,623	(498,981)	-56%	1,799,117
Gains on disposal of PPE		165,263	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		25,504,431	30,209,869	3,115,851	15,498,487	15,733,006	(234,519)	-1%	30,209,869
Expenditure By Type									
Employee related costs		7,373,112	7,622,096	650,511	3,879,627	4,017,551	(137,923)	-3%	7,622,096
Remuneration of councillors		115,259	125,834	9,811	58,068	62,856	(4,788)	-8%	125,834
Debt impairment		1,139,949	908,053	82,670	497,143	454,970	42,173	9%	908,053
Depreciation & asset impairment		1,418,436	1,258,208	123,320	671,049	629,116	41,933	7%	1,258,208
Finance charges		1,137,297	1,057,982	347,482	553,674	518,321	35,353	7%	1,057,982
Bulk purchases		8,808,849	9,956,609	708,369	4,680,505	4,988,267	(307,761)	-6%	9,956,609
Other materials		228,933	283,940	11,467	94,518	159,250	(64,732)	-41%	283,940
Contracted services		3,133,472	2,738,440	283,877	1,314,218	1,515,209	(200,992)	-13%	2,738,440
Transfers and grants		326,791	288,055	2,542	(200,579)	144,027	(344,606)	-239%	288,055
Other expenditure		3,847,188	4,042,732	233,630	1,393,395	2,294,926	(901,530)	-39%	4,042,732
Loss on disposal of PPE		13,098	1	5,206	3,006	0	3,006	603526%	1
Total Expenditure		27,542,384	28,281,950	2,458,885	12,944,624	14,784,492	(1,839,868)	-12%	28,281,950
Surplus/(Deficit)									
Transfers recognised - capital		(2,037,953)	1,927,919	656,966	2,553,863	948,514	1,605,349	0	1,927,919
Surplus/(Deficit) after capital transfers & contributions		2,452,210	2,370,209	208,301	931,466	1,185,104	(253,639)	(0)	2,370,209
Taxation		414,257	4,298,127	865,266	3,485,328	2,133,618			4,298,127
Surplus/(Deficit) after taxation		—	(500)	—	—	—	—		(500)
Attributable to minorities		414,257	4,298,627	865,266	3,485,328	2,133,618			4,298,627
Surplus/(Deficit) attributable to municipality		—	—	—	—	—			—
Share of surplus/ (deficit) of associate		414,257	4,298,627	865,266	3,485,328	2,133,618			4,298,627
Surplus/ (Deficit) for the year		—	—	—	—	—			—
Surplus/ (Deficit) for the year									
		414,257	4,298,627	865,266	3,485,328	2,133,618			4,298,627

The YTD actual revenue amounts to R15 498 million and reflects an unfavourable variance of R235 million or 1,5% against the YTD budget of R15 733 million.

The revenue variance is explained by the following:

- Service charges – water (R344 million unfavourable) – a decline in usage with the implementation of the current water restrictions
- Other revenue (R499 million unfavourable)
 - Replacement of meters –project currently under judicial review
 - ARY fare revenue – fare collection affected by a delay in the launch of the 1A Bus Line and employee compensation negotiations
 - Transport fees – lower fee collections due to various challenges, such as strikes, the festive season and the school holidays
- Service charges – electricity revenue (R319 million favourable) – attributed to the receipt of prepaid meter payments
- Interest earned – outstanding debtors (R158 million favourable) – an increase in the levying of interest on long overdue accounts resulting in a higher interest earned

The YTD actual expenditure amounts to R12 945 million and indicates a favourable variance of R1 840 million or 12,4% against the YTD budget of R14 784 million.

The expenditure variance is explained by the following:

- Other expenditure (R902 million favourable)
- Contracted services (R201 million favourable)

The implementation of e-procurement resulted in delays, as compliance with vendor registration had to be adhered to before invoices could be settled. Re Aga Tshwane and project-linked housing: top structures, roads and buildings are some of the line items that were mostly affected.

- Transfers and grants (R345 million favourable) – reversal of an accrual for invoices that were not paid in the 2015/16 financial year.
- Debt impairment (R42 million unfavourable) – the revenue collection rate of a municipal entity (Sandspruit Works Association) was below the budgeted amount. This resulted in the increase in debtor impairment above the budgeted amount. A review of the budgeted amount will be required during the budget adjustment process.
- Depreciation and asset impairment (R42 million unfavourable) – depreciation is calculated in line with the asset verification and purification process. This group will have to be reviewed during the budget adjustment process.

The reasons for variances per revenue source and expenditure type are captured in Table SC1 of this report.

Summary of capital expenditure

The capital expenditure report shown in Tables C1 and C5 of this report was prepared on the basis of the format required to be lodged electronically with National Treasury, and is categorised by municipal vote, capital expenditure by standard classification and the funding sources required to fund the capital budget, including capital transfers from the National and the Provincial Treasury. The summary table hereafter indicates actual YTD spending of R1 168 million and a variance of R1 029 million or 46,8% against the YTD budget. Percentage spent against the original budget equates to 26,2%.

Summary statement of Capital Expenditure:						
Description	Original Budget	December YTD Budget	December YTD Actual	Variance	Variance	% Spent
	R'000	R'000	R'000	R'000	%	%
TOTAL Capital Expenditure	4,465,209	2,197,098	1,168,354	(1,028,744)	-46.8%	26.2%
TOTAL Capital Financing	4,465,209	2,197,098	1,168,354	(1,028,744)	-46.8%	26.2%

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 YTD basis. Expenditure for the period ending 31 December 2016 amounts to R1 168 million against the projection of R2 197 million, a variance of R1 029 million or 46,8%. The total percentage spent against the total budget amounts to 26,2%.

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

Chart C1: 2016/17 capital expenditure

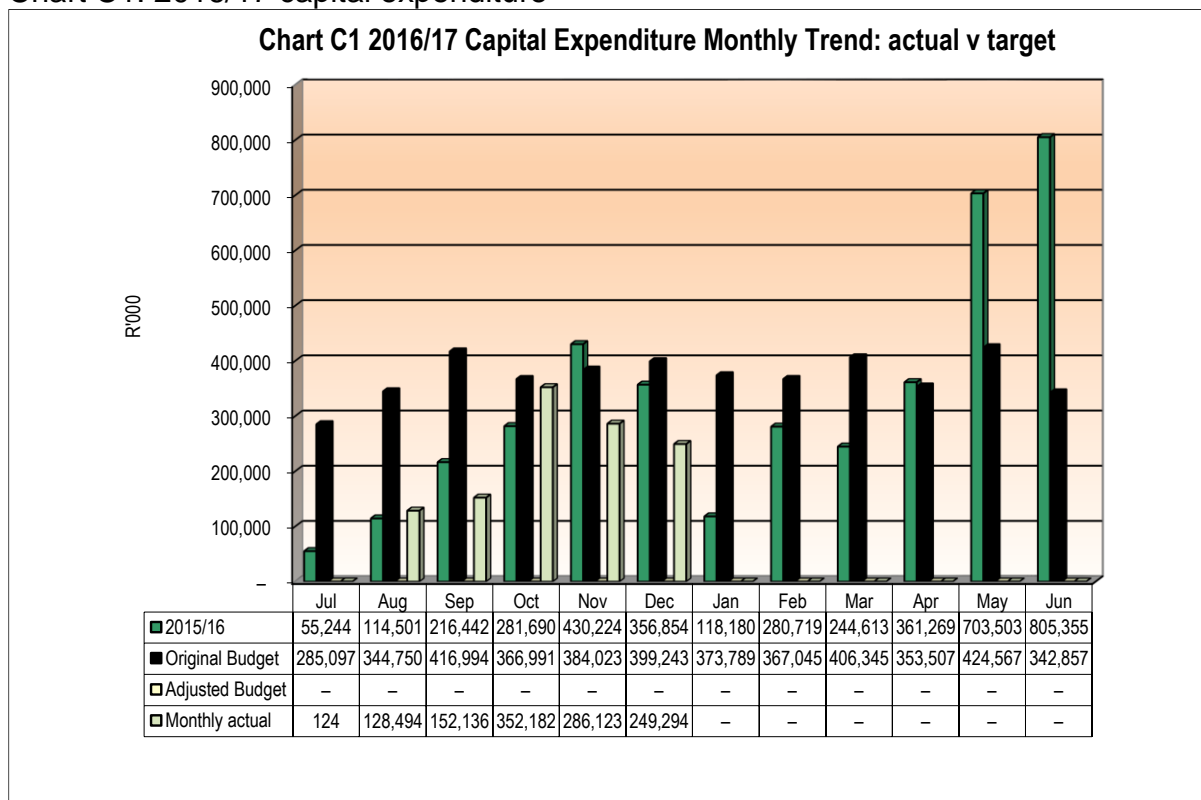
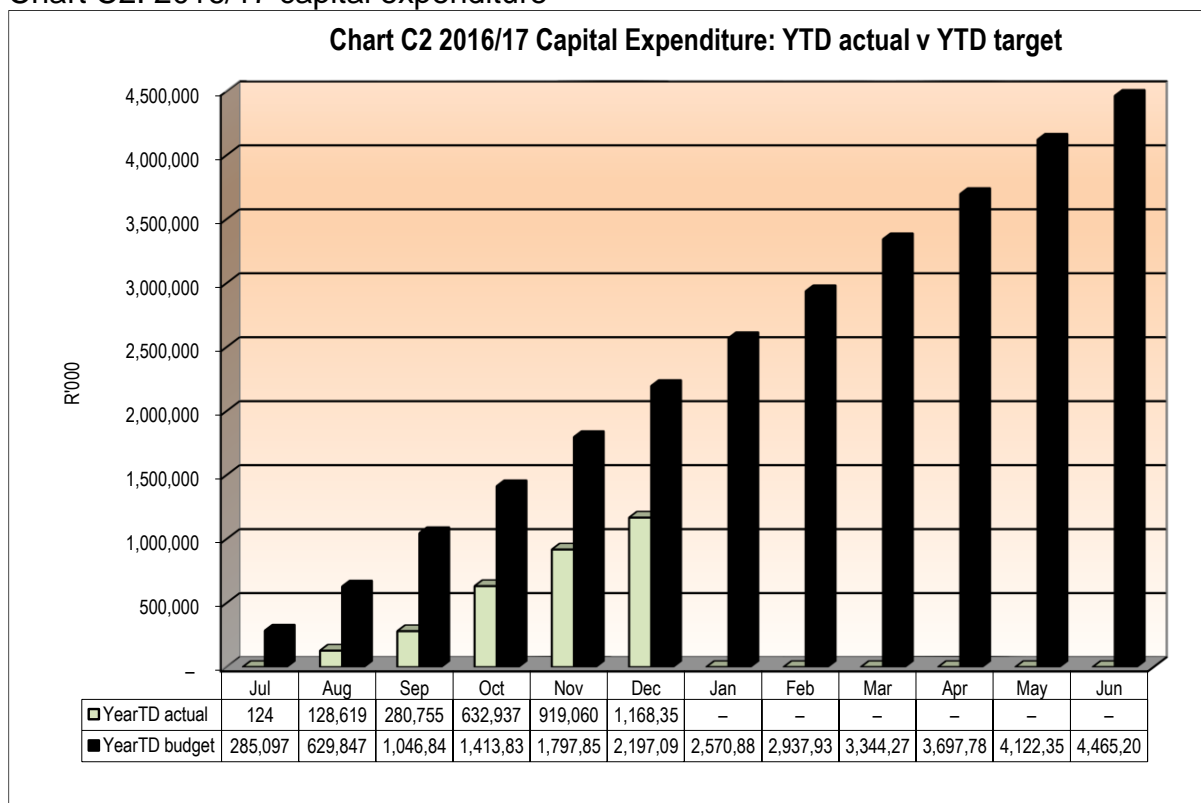


Chart C2: 2016/17 capital expenditure



Capital expenditure by asset class for new assets and for renewal of existing assets by asset class are contained in Table SC13a and Table SC13b.

Expenditure on repairs and maintenance by asset class and depreciation by asset class are detailed in Table SC13c and Table SC13d.

Financial position

The financial position as indicated in the summary Table C1 shows that community wealth/equity as at 31 December 2016 amounts to R22 158 million against the original budget forecast of R26 407 million. Details relating to the assets and liabilities of the City of Tshwane are provided in Table C6, in a format that is consistent with international standards and aligned to GRAP 1.

Cash flow

The cash flow of the City of Tshwane as depicted in Table C1 and C7 and detailed in Table SC9 indicates the following:

- The cash and cash equivalents closing balance as at the end of December 2016 is R1 457 million (this amount includes the Sinking Fund).
- Cash flow from operating activities is -R183 million compared to the target of R2 921 million, which is a negative variance on the cash flow as a result of payment of suppliers and employees.
- Cash flow from investing activities amounts to -R248 million, compared to a target of -R2 443 million.
- Cash flow from financing activities equates to R703 million, compared to a target of R126 million (includes the net borrowing).

Debtors age analysis

The debtors report as reflected in Table C1 and SC3 was prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides for 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. Table C1 and SC3 indicate that the total for debtors amounts to R8 386 million, which is an increase of 51 million, compared to the total arrear debtors as at 30 November 2016, amounting to R8 335 million.

Chart C3 below illustrates aged consumer debtors and reflects a collection problem in the category of debtors over 1 year. An amount of R4 682 million is outstanding in this category, compared to R3 965 million outstanding in the 2015/16 financial year.

Chart C3: Aged consumer debtors

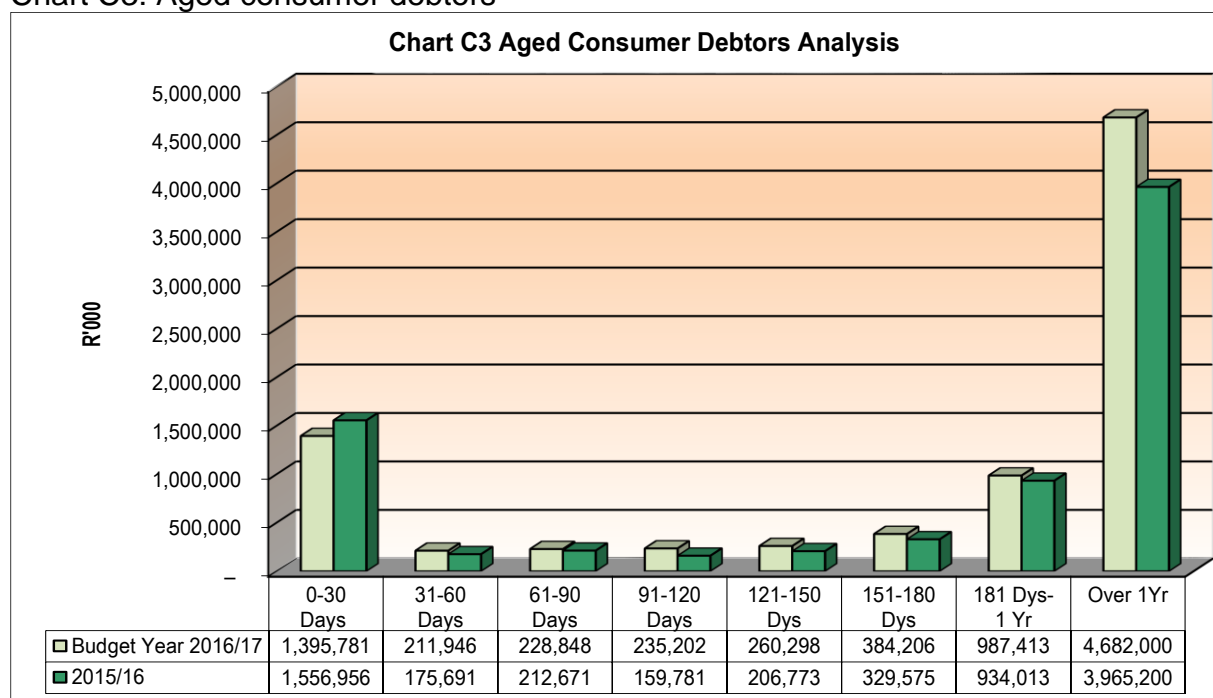
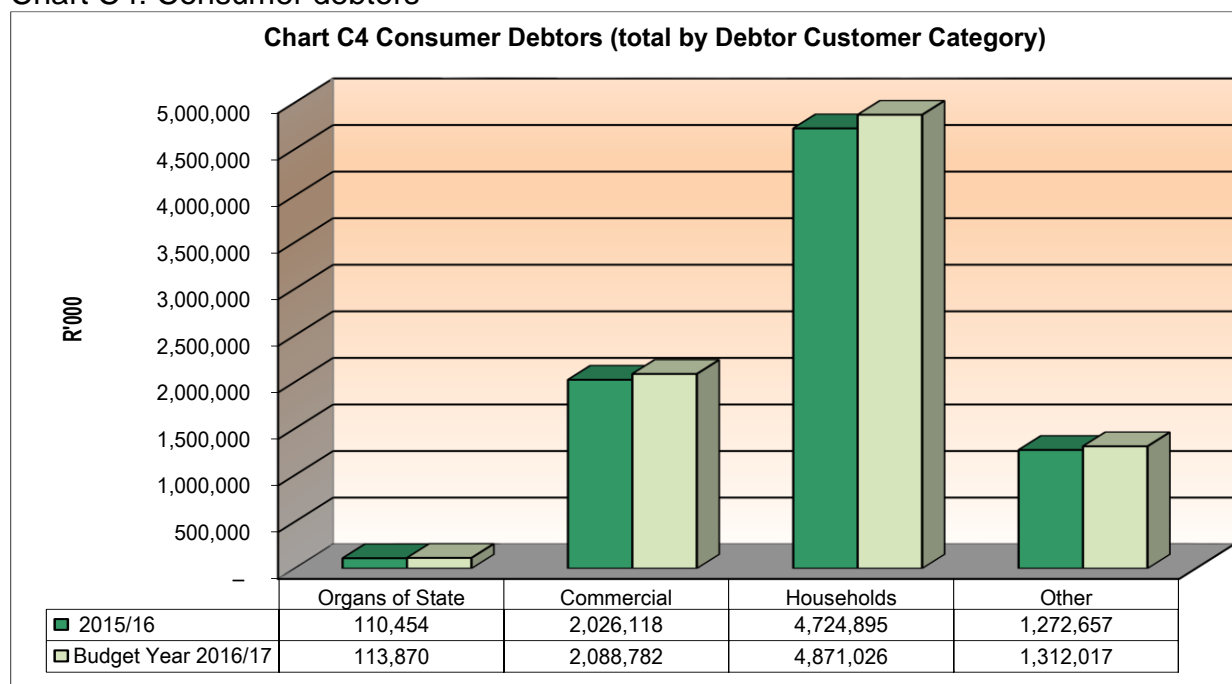


Chart C4 (consumer debtors by customer category) below shows that the customer category “households” is the major contributor to outstanding debtors, amounting to R4 871 million of the total consumer debtors of R8 386 million.

Chart C4: Consumer debtors

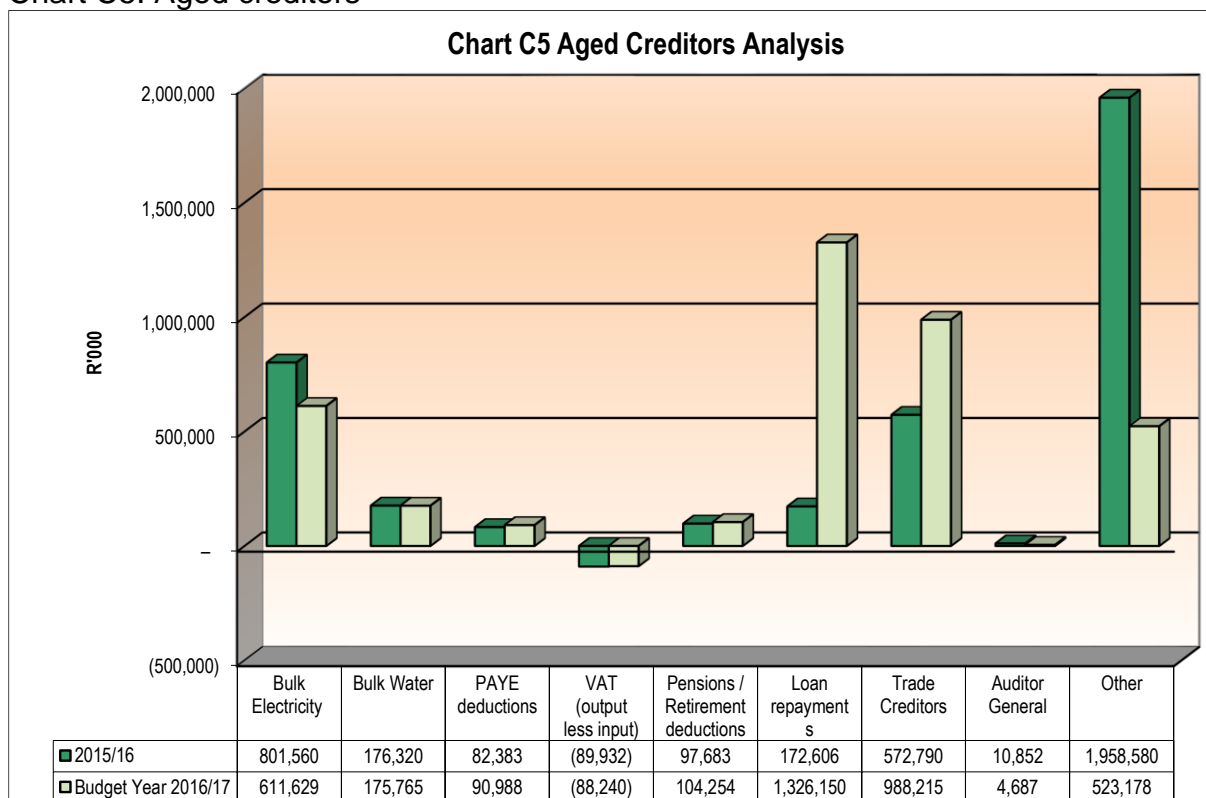


Creditors age analysis

The creditors report was prepared on the basis of the format required to be lodged electronically with National Treasury. Table C1 and SC4 provide 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.

The chart compares this month's results with the previous financial year, and indicates that the aged creditors per category decreased at the end of December 2016 by R46 million.

Chart C5: Aged creditors



Investment portfolio analysis (Table SC5)

The investment portfolio analysis shown in Table C5 includes information consistent with the requirements of the Municipal Investment Regulations, 2005 issued by the National Treasury. The institution where funds are invested, the period of investment, type of investment and accrued interest for the month are cited. The market value at the end of the month amounts to R1 256 million.

Allocation of grant receipts and expenditure (Table SC6 and SC7)

Transfer and grant receipts for both operating and capital expenditure are reflected in Table SC6. The receipts from national, provincial and other grant providers are cited.

As at 31 December 2016, the total receipts amount to R4 161 million against the YTD budget of R4 114 million. The favourable variance is attributed to the receipt of the full or more than planned allocation in respect of the following grants:

- Human Settlement Development Grant's "top structure" grant
- Sport and Recreation: Community Libraries
- Social Infrastructure Grant

The transfers to the municipal entities "Sandspruit" and "TEDA" in excess of the YTD budget also contributed to the favourable variance.

The unfavourable variance relates to the following transfers:

- Local Government Equitable Share – monies deducted from transfer due to the non-approval of rollovers
- Primary Health Care – a delay in the conclusion of the service level agreement; the transfer is planned for January 2017

Table SC7 indicates the expenditure incurred against each allocation for the reporting period. The transfer and grant expenditure table above reflects the recognition of expenditures to the amount of R3 702 million against the YTD budget of R3 926 million. The main contributors to the variance relates to capital expenditure for the Public Transport Network Operations Grant (R199 million) and Human Settlement Development Grant (Top Structure) (R74 million).

Expenditure on councillor and staff benefits (Table SC8)

Councillor and board members and employee benefits are captured in Table SC8, which provides a comparison of actual expenditure with budgeted expenditure.

Parent municipality financial performance (Table SC10)

This disclosure is required by National Treasury for municipalities that have municipal entities, and it calls for providing the monthly statement of financial performance for the parent municipality only.

Summary of municipal entities (Table SC11)

The City of Tshwane has three municipal entities as indicated in Table SC11, namely:

- Housing Company Tshwane (HCT)
- Sandspruit Works Association (SWA)
- Tshwane Economic Development Agency (TEDA)

The table provides a summary of revenue, operating expenditure and capital expenditure for these entities. The reasons for the variance are captured in Table SC1.

Performance indicators (Table SC2)

The performance indicators table reflects ratios such as:

- Borrowing management
- Liquidity
- Revenue management
- Creditor management

1.4 IN-YEAR BUDGET STATEMENT TABLES

The financial results for the period ended 31 December 2016 are reflected in Tables C1 to C7 hereafter, followed by supporting documentation in SC1 to SC13(d).

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

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

Description	2015/16	Budget Year 2016/17							
	Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Financial Performance</u>									
Property rates	5,384,019	5,764,124	–	413,777	2,881,483	2,823,552	57,931	2%	5,764,124
Service charges	14,688,150	17,719,923	–	1,331,855	8,919,574	8,927,663	(8,090)	-0%	17,719,923
Investment revenue	56,000	43,089	–	6,507	40,129	21,555	18,574	86%	43,089
Transfers recognised - operational	3,516,826	4,240,323	–	1,157,056	2,742,330	2,739,820	2,510	0%	4,240,323
Other own revenue	1,859,436	2,442,410	–	206,656	914,971	1,220,416	(305,445)	-25%	2,442,410
Total Revenue (excluding capital transfers and contributions)	25,504,431	30,209,869	–	3,115,851	15,498,487	15,733,006	(234,519)	-1%	30,209,869
Employee costs	7,373,112	7,622,096	–	650,511	3,879,627	4,017,551	(137,923)	-3%	7,622,096
Remuneration of Councillors	115,259	125,834	–	9,811	58,068	62,856	(4,788)	-8%	125,834
Depreciation & asset impairment	1,418,436	1,258,208	–	123,320	671,049	629,116	41,933	7%	1,258,208
Finance charges	1,137,297	1,057,982	–	347,482	553,674	518,321	35,353	7%	1,057,982
Materials and bulk purchases	9,037,782	10,240,550	–	719,837	4,775,023	5,147,516	(372,493)	-7%	10,240,550
Transfers and grants	326,791	288,055	–	2,542	(200,579)	144,027	(344,606)	-239%	288,055
Other expenditure	8,133,707	7,689,226	–	605,383	3,207,762	4,265,106	(1,057,344)	-25%	7,689,226
Total Expenditure	27,542,384	28,281,950	–	2,458,885	12,944,624	14,784,492	(1,839,868)	-12%	28,281,950
Surplus/(Deficit)	(2,037,953)	1,927,919	–	656,966	2,553,863	948,514	1,605,349	169%	1,927,919
Transfers recognised - capital	2,452,210	2,370,209	–	208,301	931,466	1,185,104	(253,639)	-21%	2,370,209
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	414,257	4,298,127	–	865,266	3,485,328	2,133,618	1,351,710	63%	4,298,127
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	414,257	4,298,127	–	865,266	3,485,328	2,133,618	1,351,710	63%	4,298,127
<u>Capital expenditure & funds sources</u>									
Capital expenditure	3,968,594	4,465,209	–	249,294	1,168,354	2,197,098	(1,028,744)	-47%	4,465,209
Capital transfers recognised	2,452,210	2,370,209	–	214,073	949,163	1,185,874	(236,711)	-20%	2,370,209
Public contributions & donations	155,127	110,000	–	5,549	29,952	39,953	(10,000)	-25%	110,000
Borrowing	1,194,839	1,000,000	–	26,609	183,883	480,022	(296,138)	-62%	1,000,000
Internally generated funds	166,418	985,000	–	3,064	5,355	491,250	(485,895)	-99%	985,000
Total sources of capital funds	3,968,594	4,465,209	–	249,294	1,168,354	2,197,098	(1,028,744)	-47%	4,465,209
<u>Financial position</u>									
Total current assets	5,510,890	7,720,990	–		5,476,268				7,720,990
Total non current assets	36,565,903	41,070,534	–		36,981,815				41,070,534
Total current liabilities	8,991,902	6,865,941	–		5,446,065				6,865,941
Total non current liabilities	14,217,384	15,518,491	–		14,854,105				15,518,491
Community wealth/Equity	18,867,507	26,407,092	–		22,157,913				26,407,092
<u>Cash flows</u>									
Net cash from (used) operating	3,175,968	5,692,612	–	570,215	(183,839)	2,921,404	3,105,242	106%	5,692,612
Net cash from (used) investing	(3,297,106)	(4,881,039)	–	(339,635)	(248,498)	(2,443,260)	(2,194,762)	90%	(4,881,039)
Net cash from (used) financing	706,669	305,283	–	(144,637)	703,138	126,188	(576,950)	-457%	305,283
Cash/cash equivalents at the month/year end	1,186,049	3,129,652	–	–	1,456,850	2,617,128	1,160,278	44%	2,302,905
Debtors & creditors analysis	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
<u>Debtors Age Analysis</u>									
Total By Income Source	1,395,781	211,946	228,848	235,202	260,298	384,206	987,413	4,682,000	8,385,695
<u>Creditors Age Analysis</u>									
Total Creditors	3,736,625	–	–	–	–	–	–	–	3,736,625

(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	2015/16	Budget Year 2016/17						
		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>		9,114,360	9,410,674	1,555,811	5,501,172	5,197,650	303,522	6%	9,410,674
Executive and council		74,581	64,255	2,294	17,171	32,128	(14,957)	-47%	64,255
Budget and treasury office		8,658,446	9,164,886	1,541,744	5,391,109	5,074,756	316,353	6%	9,164,886
Corporate services		381,333	181,533	11,772	92,892	90,766	2,126	2%	181,533
<i>Community and public safety</i>		1,285,394	1,260,256	148,010	601,795	665,319	(63,524)	-10%	1,260,256
Community and social services		83,393	41,984	1,556	14,478	24,350	(9,872)	-41%	41,984
Sport and recreation		38,451	19,744	1,573	9,557	9,872	(315)	-3%	19,744
Public safety		182,186	210,096	97,357	163,987	105,048	58,939	56%	210,096
Housing		860,927	859,608	44,371	359,376	433,878	(74,502)	-17%	859,608
Health		120,436	128,824	3,154	54,397	92,171	(37,774)	-41%	128,824
<i>Economic and environmental services</i>		1,733,797	1,811,803	161,585	723,070	935,859	(212,789)	-23%	1,811,803
Planning and development		245,078	273,256	14,166	161,063	167,502	(6,439)	-4%	273,256
Road transport		1,488,159	1,538,262	147,418	562,007	768,214	(206,207)	-27%	1,538,262
Environmental protection		560	285	-	-	142	(142)	-100%	285
<i>Trading services</i>		15,605,274	19,889,927	1,439,271	9,497,242	10,015,782	(518,540)	-5%	19,889,927
Electricity		10,009,623	13,025,754	918,259	6,406,779	6,658,594	(251,816)	-4%	13,025,754
Water		3,365,720	4,407,221	308,932	1,896,272	2,153,066	(256,795)	-12%	4,407,221
Waste water management		1,040,753	1,169,283	114,406	560,829	573,929	(13,100)	-2%	1,169,283
Waste management		1,189,178	1,287,669	97,673	633,363	630,193	3,170	1%	1,287,669
<i>Other</i>	4	217,966	207,917	19,884	109,160	103,959	5,202	5%	207,917
Total Revenue - Standard	2	27,956,791	32,580,578	3,324,560	16,432,438	16,918,569	(486,130)	-3%	32,580,578
Expenditure - Standard									
<i>Governance and administration</i>		5,917,415	5,443,422	769,423	2,900,203	2,872,628	27,575	1%	5,443,422
Executive and council		1,403,274	1,476,361	128,081	781,422	775,335	6,087	1%	1,476,361
Budget and treasury office		890,774	900,521	48,945	229,773	458,927	(229,154)	-50%	900,521
Corporate services		3,623,368	3,066,540	592,396	1,889,008	1,638,366	250,643	15%	3,066,540
<i>Community and public safety</i>		4,029,250	4,057,236	273,993	1,658,868	2,100,085	(441,217)	-21%	4,057,236
Community and social services		632,239	648,858	40,332	241,052	342,527	(101,475)	-30%	648,858
Sport and recreation		491,685	474,224	37,186	215,890	262,198	(46,308)	-18%	474,224
Public safety		1,860,096	1,776,049	133,732	782,480	893,879	(111,399)	-12%	1,776,049
Housing		546,049	654,321	23,306	173,349	335,071	(161,721)	-48%	654,321
Health		499,181	503,782	39,436	246,096	266,411	(20,315)	-8%	503,782
<i>Economic and environmental services</i>		2,493,140	2,546,866	205,925	1,116,242	1,439,947	(323,705)	-22%	2,546,866
Planning and development		673,533	766,918	52,443	354,729	408,315	(53,586)	-13%	766,918
Road transport		1,788,017	1,746,832	151,479	748,801	1,011,597	(262,796)	-26%	1,746,832
Environmental protection		31,591	33,116	2,002	12,712	20,036	(7,324)	-37%	33,116
<i>Trading services</i>		14,927,140	16,058,150	1,192,254	7,191,532	8,267,449	(1,075,917)	-13%	16,058,150
Electricity		10,052,445	10,570,122	789,332	4,979,250	5,431,854	(452,604)	-8%	10,570,122
Water		3,030,915	3,710,421	268,660	1,452,789	1,878,098	(425,309)	-23%	3,710,421
Waste water management		577,485	555,495	35,694	223,355	284,265	(60,910)	-21%	555,495
Waste management		1,266,294	1,222,112	98,568	536,138	673,231	(137,093)	-20%	1,222,112
<i>Other</i>		175,588	176,277	17,700	80,266	104,842	(24,576)	-23%	176,277
Total Expenditure - Standard	3	27,542,534	28,281,950	2,459,294	12,947,110	14,784,950	(1,837,840)	-12%	28,281,950
Surplus/ (Deficit) for the year		414,257	4,298,627	865,266	3,485,328	2,133,618	1,351,710	63%	4,298,627

Note: The variance in total revenue in Table C1 differs from that in Table C2 because in Table C1 the capital transfers are excluded, whereas in Table C2 they are included.

**(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	2015/16	Budget Year 2016/17						
		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		169,335	111,701	2,606	84,776	77,177	7,600	9.8%	111,701
Vote 2 - Corporate & Shared Services		31,659	23,346	167	8,414	11,673	(3,259)	-27.9%	23,346
Vote 3 - Economic Development		32,128	117,478	9,696	62,959	68,287	(5,328)	-7.8%	117,478
Vote 4 - Emergency Services		85,606	77,358	616	49,578	51,249	(1,672)	-3.3%	77,358
Vote 5 - Energy & Electricity Department		9,860,081	12,833,887	914,743	6,374,190	6,562,661	(188,471)	-2.9%	12,833,887
Vote 6 - Environmental Management		1,373,919	1,436,486	115,881	724,815	704,601	20,214	2.9%	1,436,486
Vote 7 - Group Financial Services		8,721,955	9,215,491	1,548,654	5,436,599	5,100,059	336,541	6.6%	9,215,491
Vote 8 - Group Information & Communication Technology		9,561	218	-	0	109	(109)	-100.0%	218
Vote 9 - Housing & Human Settlement		837,080	833,749	42,320	347,037	420,948	(73,911)	-17.6%	833,749
Vote 10 - Metro Police Services		162,633	204,503	96,935	160,044	102,252	57,793	56.5%	204,503
Vote 11 - Office of the City Manager		201,157	239,950	4,121	40,049	119,975	(79,926)	-66.6%	239,950
Vote 12 - Service Delivery & Transformation Management		250,502	237,234	17,777	104,513	117,700	(13,188)	-11.2%	237,234
Vote 13 - Transport		1,385,928	1,427,003	136,523	510,249	713,502	(203,253)	-28.5%	1,427,003
Vote 14 - Water & Sanitation Department		4,406,462	5,576,502	423,339	2,457,100	2,726,994	(269,894)	-9.9%	5,576,502
Vote 15 - Other Votes		428,787	245,670	11,183	72,113	141,382	(69,269)	-49.0%	245,670
Total Revenue by Vote	2	27,956,791	32,580,578	3,324,560	16,432,438	16,918,569	(486,130)	-2.9%	32,580,578
Expenditure by Vote	1								
Vote 1 - City Planning & Development		296,162	316,181	22,449	148,954	163,986	(15,032)	-9.2%	316,181
Vote 2 - Corporate & Shared Services		1,148,351	1,096,548	65,625	434,516	555,702	(121,186)	-21.8%	1,096,548
Vote 3 - Economic Development		331,719	404,716	24,913	175,471	219,969	(44,499)	-20.2%	404,716
Vote 4 - Emergency Services		607,762	620,382	50,445	300,787	326,082	(25,295)	-7.8%	620,382
Vote 5 - Energy & Electricity Department		8,934,953	9,577,038	702,138	4,479,642	4,803,654	(324,011)	-6.7%	9,577,038
Vote 6 - Environmental Management		633,294	677,525	42,339	247,372	361,691	(114,319)	-31.6%	677,525
Vote 7 - Group Financial Services		1,894,262	1,502,514	434,161	900,438	769,005	131,433	17.1%	1,502,514
Vote 8 - Group Information & Communication Technology		560,132	560,991	34,311	317,709	357,440	(39,730)	-11.1%	560,991
Vote 9 - Housing & Human Settlement		472,111	604,310	18,924	146,740	308,295	(161,555)	-52.4%	604,310
Vote 10 - Metro Police Services		1,889,108	1,841,715	167,837	991,732	927,035	64,697	7.0%	1,841,715
Vote 11 - Office of the City Manager		266,793	302,864	27,258	128,047	246,693	(118,645)	-48.1%	302,864
Vote 12 - Service Delivery & Transformation Management		3,730,870	3,491,590	278,100	1,590,079	1,997,725	(407,646)	-20.4%	3,491,590
Vote 13 - Transport		1,298,301	1,230,897	116,807	555,174	676,961	(121,787)	-18.0%	1,230,897
Vote 14 - Water & Sanitation Department		3,314,136	3,982,719	282,073	1,542,869	2,008,122	(465,253)	-23.2%	3,982,719
Vote 15 - Other Votes		2,164,579	2,071,959	191,915	987,579	1,062,591	(75,012)	-7.1%	2,071,959
Total Expenditure by Vote	2	27,542,534	28,281,950	2,459,294	12,947,110	14,784,950	(1,837,840)	-12.4%	28,281,950
Surplus/ (Deficit) for the year	2	414,257	4,298,627	865,266	3,485,328	2,133,618	1,351,710	63.4%	4,298,627

(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	2015/16	Budget Year 2016/17						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates		5,384,019	5,764,124	413,777	2,881,483	2,823,552	57,931	2%	5,764,124
Service charges - electricity revenue		9,340,209	11,360,246	881,000	6,144,635	5,825,840	318,795	5%	11,360,246
Service charges - water revenue		3,226,514	3,995,130	258,676	1,599,779	1,943,983	(344,204)	-18%	3,995,130
Service charges - sanitation revenue		760,693	949,597	67,319	417,193	466,974	(49,781)	-11%	949,597
Service charges - refuse revenue		1,128,046	1,205,390	95,173	611,981	589,053	22,927	4%	1,205,390
Service charges - other		232,687	209,560	29,688	145,986	101,812	44,174	43%	209,560
Rental of facilities and equipment		135,156	136,321	10,321	59,805	67,746	(7,942)	-12%	136,321
Interest earned - external investments		56,000	43,089	6,507	40,129	21,555	18,574	86%	43,089
Interest earned - outstanding debtors		406,006	238,451	52,964	277,844	119,786	158,057	132%	238,451
Fines		160,585	198,658	96,336	155,600	99,329	56,271	57%	198,658
Licences and permits		48,743	60,564	4,301	22,081	30,282	(8,201)	-27%	60,564
Agency services		—	9,299	—	—	4,649	(4,649)	-100%	9,299
Transfers recognised - operational		3,516,826	4,240,323	1,157,056	2,742,330	2,739,820	2,510	0%	4,240,323
Other revenue		943,682	1,799,117	42,734	399,642	898,623	(498,981)	-56%	1,799,117
Gains on disposal of PPE		165,263	—	—	—	—	—		—
Total Revenue (excluding capital transfers and contributions)		25,504,431	30,209,869	3,115,851	15,498,487	15,733,006	(234,519)	-1%	30,209,869
Expenditure By Type									
Employee related costs		7,373,112	7,622,096	650,511	3,879,627	4,017,551	(137,923)	-3%	7,622,096
Remuneration of councillors		115,259	125,834	9,811	58,068	62,856	(4,788)	-8%	125,834
Debt impairment		1,139,949	908,053	82,670	497,143	454,970	42,173	9%	908,053
Depreciation & asset impairment		1,418,436	1,258,208	123,320	671,049	629,116	41,933	7%	1,258,208
Finance charges		1,137,297	1,057,982	347,482	553,674	518,321	35,353	7%	1,057,982
Bulk purchases		8,808,849	9,956,609	708,369	4,680,505	4,988,267	(307,761)	-6%	9,956,609
Other materials		228,933	283,940	11,467	94,518	159,250	(64,732)	-41%	283,940
Contracted services		3,133,472	2,738,440	283,877	1,314,218	1,515,209	(200,992)	-13%	2,738,440
Transfers and grants		326,791	288,055	2,542	(200,579)	144,027	(344,606)	-239%	288,055
Other expenditure		3,847,188	4,042,732	233,630	1,393,395	2,294,926	(901,530)	-39%	4,042,732
Loss on disposal of PPE		13,098	1	5,206	3,006	0	3,006	603526%	1
Total Expenditure		27,542,384	28,281,950	2,458,885	12,944,624	14,784,492	(1,839,868)	-12%	28,281,950
Surplus/(Deficit)		(2,037,953)	1,927,919	656,966	2,553,863	948,514	1,605,349	0	1,927,919
Transfers recognised - capital		2,452,210	2,370,209	208,301	931,466	1,185,104	(253,639)	(0)	2,370,209
Surplus/(Deficit) after capital transfers & contributions		414,257	4,298,127	865,266	3,485,328	2,133,618			4,298,127
Taxation		—	(500)	—	—	—	—		(500)
Surplus/(Deficit) after taxation		414,257	4,298,627	865,266	3,485,328	2,133,618			4,298,627
Attributable to minorities		—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality		414,257	4,298,627	865,266	3,485,328	2,133,618			4,298,627
Share of surplus/ (deficit) of associate		—	—	—	—	—			—
Surplus/ (Deficit) for the year		414,257	4,298,627	865,266	3,485,328	2,133,618			4,298,627

Note:

The total revenue excludes capital transfers and contributions. These are 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	2015/16	Budget Year 2016/17						
		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		–	50,000	–	–	25,000	(25,000)	-100%	50,000
Vote 2 - Corporate & Shared Services		26,257	15,000	–	110	7,500	(7,390)	-99%	15,000
Vote 3 - Economic Development		16,925	57,400	4,676	17,798	21,188	(3,389)	-16%	57,400
Vote 4 - Emergency Services		5,939	11,000	–	2,225	4,920	(2,695)	-55%	11,000
Vote 5 - Energy & Electricity Department		430,984	478,665	31,758	138,193	216,641	(78,448)	-36%	478,665
Vote 6 - Environmental Management		97,707	38,500	987	3,264	23,394	(20,130)	-86%	38,500
Vote 7 - Group Financial Services		42,010	65,000	3,064	20,181	28,250	(8,069)	-29%	65,000
Vote 8 - Group Information & Communication Technology		92,464	204,500	28	31,902	95,925	(64,023)	-67%	204,500
Vote 9 - Housing & Human Settlement		829,300	537,704	41,565	296,569	297,240	(671)	0%	537,704
Vote 10 - Metro Police Services		8,852	30,000	–	–	30,000	(30,000)	-100%	30,000
Vote 11 - Office of the City Manager		231,319	259,950	6,792	42,720	125,415	(82,695)	-66%	259,950
Vote 12 - Service Delivery & Transformation Management		–	–	–	–	–	–		–
Vote 13 - Transport		1,428,678	1,241,606	103,818	397,690	612,812	(215,122)	-35%	1,241,606
Vote 14 - Water & Sanitation Department		492,399	383,500	48,264	153,469	158,413	(4,944)	-3%	383,500
Vote 15 - Other Votes		153,092	129,184	7,913	56,445	71,102	(14,657)	-21%	129,184
Total Capital Multi-year expenditure	4,7	3,855,926	3,502,009	248,865	1,160,567	1,717,798	(557,231)	-32%	3,502,009
Single Year expenditure appropriation	2								
Vote 3 - Economic Development		7,864	8,000	–	423	1,600	(1,177)	-74%	8,000
Vote 5 - Energy & Electricity Department		–	950,000	–	–	475,000	(475,000)	-100%	950,000
Vote 6 - Environmental Management		4,998	–	–	3,675	–	3,675	#DIV/0!	–
Vote 8 - Group Information & Communication Technology		75,773	200	–	–	200	(200)	-100%	200
Vote 13 - Transport		20,135	5,000	429	3,689	2,500	1,189	48%	5,000
Vote 15 - Other Votes		3,898	–	–	–	–	–		–
Total Capital single-year expenditure	4	112,668	963,200	429	7,787	479,300	(471,513)	-98%	963,200
Total Capital Expenditure		3,968,594	4,465,209	249,294	1,168,354	2,197,098	(1,028,744)	-47%	4,465,209
Capital Expenditure - Standard Classification									
Governance and administration		341,707	368,484	7,674	69,584	172,869	(103,285)	-60%	368,484
Executive and council		79,091	58,784	4,583	17,755	27,244	(9,489)	-35%	58,784
Budget and treasury office		2,684	–	–	–	–	–		–
Corporate services		259,933	309,700	3,092	51,829	145,625	(93,796)	-64%	309,700
Community and public safety		1,051,758	696,104	49,607	355,498	423,818	(68,320)	-16%	696,104
Community and social services		31,625	42,200	987	8,754	12,573	(3,819)	-30%	42,200
Sport and recreation		90,835	53,000	3,125	26,723	56,200	(29,477)	-52%	53,000
Public safety		14,791	41,000	–	2,225	34,920	(32,695)	-94%	41,000
Housing		829,300	537,704	41,565	296,569	297,240	(671)	0%	537,704
Health		85,207	22,200	3,929	21,228	22,885	(1,657)	-7%	22,200
Economic and environmental services		1,455,794	1,343,506	107,800	414,224	629,150	(214,926)	-34%	1,343,506
Planning and development		24,789	115,400	4,676	18,221	22,788	(4,567)	-20%	115,400
Road transport		1,428,678	1,225,106	103,123	396,003	604,562	(208,559)	-34%	1,225,106
Environmental protection		2,326	3,000	–	–	1,800	(1,800)	-100%	3,000
Trading services		1,089,358	2,024,615	83,090	323,672	955,205	(631,533)	-66%	2,024,615
Electricity		430,984	1,620,115	31,758	138,193	691,641	(553,448)	-80%	1,620,115
Water		97,526	100,500	5,070	18,250	48,121	(29,871)	-62%	100,500
Waste water management		543,853	283,000	46,262	161,469	201,457	(39,988)	-20%	283,000
Waste management		16,994	21,000	–	5,760	13,986	(8,226)	-59%	21,000
Other		29,978	32,500	1,123	5,377	16,057	(10,680)	-67%	32,500
Total Capital Expenditure - Standard Classification	3	3,968,594	4,465,209	249,294	1,168,354	2,197,098	(1,028,744)	-47%	4,465,209
Funded by:									
National Government		2,405,478	2,331,654	210,112	929,117	1,164,805	(235,688)	-20%	2,331,654
Provincial Government		44,959	38,355	3,960	20,047	20,869	(823)	-4%	38,355
Other transfers and grants		1,773	200	–	–	200	(200)	-100%	200
Transfers recognised - capital		2,452,210	2,370,209	214,073	949,163	1,185,874	(236,711)	-20%	2,370,209
Public contributions & donations	5	155,127	110,000	5,549	29,952	39,953	(10,000)	-25%	110,000
Borrowing	6	1,194,839	1,000,000	26,609	183,883	480,022	(296,138)	-62%	1,000,000
Internally generated funds		166,418	985,000	3,064	5,355	491,250	(485,895)	-99%	985,000
Total Capital Funding		3,968,594	4,465,209	249,294	1,168,354	2,197,098	(1,028,744)	-47%	4,465,209

(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	2015/16	Budget Year 2016/17		
		Unaudited Outcome	Original Budget	YearTD actual	Full Year Forecast
R thousands	1				
<u>ASSETS</u>					
Current assets					
Cash		95,219	142,717	89,951	142,717
Call investment deposits		1,090,830	2,986,935	1,366,899	2,986,935
Consumer debtors		2,603,597	2,698,589	2,040,481	2,698,589
Other debtors		1,048,255	1,068,301	1,180,598	1,068,301
Current portion of long-term receivables		96,072	236,599	95,249	236,599
Inventory		576,918	587,849	703,089	587,849
Total current assets		5,510,890	7,720,990	5,476,268	7,720,990
Non current assets					
Long-term receivables		20,526	90,799	9,299	90,799
Investments		711	399,096	711	399,096
Investment property		807,287	932,302	802,526	932,302
Investments in Associate		–	–	–	–
Property, plant and equipment		31,604,746	39,494,466	32,032,450	39,494,466
Agricultural		–	–	–	–
Biological assets		–	–	–	–
Intangible assets		343,691	153,871	392,730	153,871
Other non-current assets		3,788,943	–	3,744,101	–
Total non current assets		36,565,903	41,070,534	36,981,815	41,070,534
TOTAL ASSETS		42,076,793	48,791,524	42,458,083	48,791,524
<u>LIABILITIES</u>					
Current liabilities					
Bank overdraft		–	–	–	–
Borrowing		733,243	847,270	714,572	847,270
Consumer deposits		379,916	369,977	390,770	369,977
Trade and other payables		7,878,744	5,636,868	4,340,723	5,636,868
Provisions		–	11,825	–	11,825
Total current liabilities		8,991,902	6,865,941	5,446,065	6,865,941
Non current liabilities					
Borrowing		10,503,099	12,077,516	11,139,830	12,077,516
Provisions		3,714,285	3,440,975	3,714,275	3,440,975
Total non current liabilities		14,217,384	15,518,491	14,854,105	15,518,491
TOTAL LIABILITIES		23,209,286	22,384,432	20,300,170	22,384,432
NET ASSETS	2	18,867,507	26,407,092	22,157,913	26,407,092
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)		18,610,498	26,128,803	21,900,904	26,128,803
Reserves		257,009	278,289	257,009	278,289
TOTAL COMMUNITY WEALTH/EQUITY	2	18,867,507	26,407,092	22,157,913	26,407,092

(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	2015/16	Budget Year 2016/17						
		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		5,360,554	5,533,559	413,777	2,881,483	2,710,610	170,873	6%	5,533,559
Service charges		14,601,285	17,011,229	1,331,855	8,919,574	8,602,257	317,316	4%	17,011,229
Other revenue		1,094,670	2,187,493	154,250	630,527	1,090,847	(460,320)	-42%	2,187,493
Government - operating		3,516,826	4,240,323	1,085,855	2,934,471	2,743,010	191,461	7%	4,240,323
Government - capital		2,452,489	2,370,209	11,775	1,055,193	1,185,104	(129,911)	-11%	2,370,209
Interest		463,281	246,631	59,471	317,973	123,314	194,659	158%	246,631
Payments									
Suppliers and employees		(23,175,168)	(24,550,779)	(2,136,745)	(16,010,766)	(12,871,383)	3,139,382	-24%	(24,550,779)
Finance charges		(1,137,968)	(1,057,999)	(347,482)	(553,674)	(518,329)	35,345	-7%	(1,057,999)
Transfers and Grants		–	(288,055)	(2,542)	(358,620)	(144,027)	214,593	-149%	(288,055)
NET CASH FROM/(USED) OPERATING ACTIVITIES		3,175,968	5,692,612	570,215	(183,839)	2,921,404	3,105,242	106%	5,692,612
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		592,462	–	(3,943)	88,448	–	88,448		–
Decrease (Increase) in non-current debtors		(66,503)	(241,572)	1,081	442,896	(120,786)	563,683	-467%	(241,572)
Decrease (increase) other non-current receivables		140,433	2,759	(97,551)	377,959	1,379	376,580	27301%	2,759
Decrease (increase) in non-current investments		5,097	(302,991)	10,071	10,553	(151,495)	162,048	-107%	(302,991)
Payments									
Capital assets		(3,968,594)	(4,339,234)	(249,294)	(1,168,354)	(2,172,358)	(1,004,004)	46%	(4,339,234)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(3,297,106)	(4,881,039)	(339,635)	(248,498)	(2,443,260)	(2,194,762)	90%	(4,881,039)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		–	–	–	900,000	–	900,000		–
Borrowing long term/refinancing		1,200,000	1,000,000	–	–	473,557	(473,557)	-100%	1,000,000
Increase (decrease) in consumer deposits		24,900	7,366	1,513	14,820	3,673	11,147	304%	7,366
Payments									
Repayment of borrowing		(518,231)	(702,083)	(146,150)	(211,682)	(351,041)	(139,359)	40%	(702,083)
NET CASH FROM/(USED) FINANCING ACTIVITIES		706,669	305,283	(144,637)	703,138	126,188	(576,950)	-457%	305,283
NET INCREASE/ (DECREASE) IN CASH HELD		585,531	1,116,856	85,943	270,801	604,332			1,116,856
Cash/cash equivalents at beginning:		600,518	2,012,796		1,186,049	2,012,796			1,186,049
Cash/cash equivalents at month/year end:		1,186,049	3,129,652		1,456,850	2,617,128			2,302,905

PART 2 – SUPPORTING DOCUMENTATION

(a) Table SC1: Material Variance Explanations

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			
1	Revenue By Source			
	Property rates	57,931	Intensified follow-up of exception reports has resulted in a favourable variance.	On-going monitoring and rectification has been implemented.
	Service charges - electricity revenue	318,795	An increase in revenue for smart prepaid against projection.	On-going monitoring and attending to challenges.
	Service charges - water revenue	(344,204)	A decline in revenue due to current water restrictions.	Review budget during Adjustments Budget process.
	Service charges - sanitation revenue	(49,781)	A decline in revenue due to current water restrictions.	Review budget during Adjustments Budget process.
	Service charges - refuse revenue	22,927	Revenue better than projected for "Solid Waste Removal Fees".	On-going monitoring and rectification has been implemented.
	Service charges - other	44,174	Revenue on the line-item "Reconnection Fees" better than projected.	Not a pro-rata revenue item and dependent of specific service required.
	Rental of facilities and equipment	(7,942)	"Rental: Businesses" is the main contributor. Variance mainly due to the lag in the processing of receipts from Property Management.	Property Management follow-up with Group Financial Services: Municipal Rentals Section.
	Interest earned - external investments	18,574	"Interest On Bank Account" is the main contributor. An increase in short term investments to-date that yielded better rates.	Not a pro-rata revenue item and will be monitored.
	Interest earned - outstanding debtors	158,057	"Interest On Amounts In Arrear" is the main contributor. An increase in debtors has resulted in higher interest earned.	Not a pro-rata revenue item and will be monitored.
	Dividends received	-		
	Fines	56,271	"AARTO" is the main contributor. Backlog relating to the capturing of information onto the accounting system due to current administrative processes between Metro Police Department and Road Traffic Infringement Agency has been addressed.	The "Impairment: AARTO" expenditure against a 15% recovery rate still needs to be deducted which will impact on revenue figures.
	Licences and permits	(8,201)	"Drivers Licenses" is the main contributor due to a decline in applications and budget not adjusted downwards during planning phase.	Request for revenue to be adjusted downwards during Adjustment Budget process.
	Agency services	(4,649)	Revenue generated by entity "TEDA" to-date for this service is less than projected.	Entity to improve collection rate.
	Transfers recognised - operational	2,510	"Equitable Shares" is the main contributor. Variance mainly due to the non-alignment of YTD Budget to the Payment Schedule issued by National Treasury.	None.
	Other revenue	(498,981)	Most line-items in this group are not pro-rata revenue items.	Departments to ensure revenue is collected as planned.
2	Expenditure By Type			
	Employee related costs	(137,923)	"Service Bonus" is the main contributor. Implementation of GRAP 25 for Bonus Provision which was not considered during the planning phase.	Departments to implement corrective measures in terms of Budget Policy where line-items exceed YTD budget.
	Remuneration of councillors	(4,788)	Payment in terms of the Public Office Bearers Act.	None.
	Debt impairment	42,173	Due to increase in expenditure by entity "SWA".	Entity to improve collection rate.
	Depreciation & asset impairment	41,933	Depreciation is calculated in-line with the asset verification and purification process.	Will be monitored and reviewed.
	Finance charges	35,353	Costs are allocated according to all asset classifications systematically.	Will be monitored and reviewed.
	Bulk purchases	(307,761)	"Bulk: Electricity" and "Water: Rand Water" are the main contributors due to a decrease in purchases against YTD projection.	Will be monitored and reviewed.
	Other materials	(64,732)	"Petrol And Diesel Fuel" is the main contributor due to a lag in processing of documentation.	Relevant department to ensure documentation is captured.
	Contracted services	(200,992)	Delays in the release of purchase orders due to implementation of new control measures.	Ensure service providers register with NT central supplier database.
	Transfers and grants	(344,606)	"Municipal Entities" is the main contributor due to year-end accrual reversal.	Actual payment to be done which will cancel out the credit.
	Other expenditure	(901,530)	Delays in the recording of purchase orders due to implementation of new control measures on "Accounting System".	Ensure service providers register with NT central supplier database.
	Loss on disposal of PPE	3,006	"Scrapping of Assets" is the main contributor.	To be addressed during Adjustments Budget process.
3	Capital Expenditure			
	Vote 1 - City Planning & Development	(25,000)	"Redevelopment of Caledonian" project is the main contributor due to change in project owner (Department).	Will be transferred to Sports and Recreation Department during Adjustments Budget Process.
	Vote 2 - Corporate & Shared Services	(7,390)	"Tshwane Leadership and Management Academy" project is the main contributor. Delay at Supply Chain Management in the advertising of contractors.	Once contractors are appointed regular follow-ups will be made to ensure that all items are delivered before year-end.
	Vote 3 - Economic Development	(4,567)	"Informal Trade Market (Inner City)" project is the main contributor due to the absence of a panel to appoint a Contractor.	Panel currently being approved.
	Vote 4 - Emergency Services	(2,695)	"Renovation & Upgrading of Facilities" project is the main contributor. Delay in the installation and commissioning of video walls at Pieter Delpont Centre and Central Emergency Services station.	Ensure commissioning of video walls be completed during January 2017.

(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
3	Capital Expenditure			
	Vote 5 - Energy & Electricity Department	(553,448)	"AMVI Infrastructure (Smart Meter Project)" is the main contributor.	The project is under review .
	Vote 6 - Environmental Management	(16,454)	"240 Litre Containers" project is the main contributor. Planned rollout of 240L bins was temporarily suspended due to fear of community unrest related to the community being discontent with the 240L waste bin tariffs.	Payment for 4500 x containers for R2 731 500 is in progress.
	Vote 7 - Group Financial Services	(8,069)	"Buildings and Equipment (security at the stores)" project due to delay in the implementation of plan.	The appointed contractor to be requested to speed-up the pace of installation without compromising quality .
	Vote 8 - Group Information & Communication Technology	(64,223)	"BPC and SCOA" and "Upgrade of IT Infrastructure" projects are the main contributors. mSCOA project is currently underway and payment will occur once deliverables have been achieved.	Payment will occur once deliverables have been achieved.
	Vote 9 - Housing & Human Settlement	(671)	"Project Linked Housing - Water Provision" is the main contributor. Delay in CSD registration has affected spending.	All service provider advised to finalised CSD registration.
	Vote 10 - Metro Police Services	(30,000)	"Purchasing of Policing Equipment" project is the main contributor due to delay in the approval of quotations and vendor registration.	Ensure project is delivered as planned.
	Vote 11 - Office of the City Manager	(82,695)	"RE-AGA-Tshwane" project is the main contributor. Delays in appointments, capturing of contracts and sessions on E-Procurement.	Project to be fast-tracked. R32,8 million committed.
	Vote 13 - Transport	(213,932)	Delays in finalising contracts. "CBD and Surrounding Areas (BRT) - (Transport Infrastructure)" is the main contributor.	Department to ensure expenditure is aligned to SDBIP Plan.
	Vote 14 - Water & Sanitation Department	(4,944)	"Reservoir Extensions" project is the main contributor. Payments could not be processed due to the delays resulting from the implementation of the E-Procurement system.	Monitor contractors and apply the relevant penalties and remedial actions should the contractors fail to execute work diligently. Evaluate and appoint contractors speedily on tenders that are advertised.
	Vote 15 - Other Votes	(14,657)	"Insurance Replacements (CTMM Contribution)" project is the main contributor. Due to the E-Procurement process not being functional no procurement / replacement has taken place.	WBS numbers provided to Corporate and Shared Services: Corporate Fleet Management. Procurement to take place as once the E-Procurement process is functional.
4	Financial Position			
	Current assets	(2,244,722)	A decrease in non current assets against projection with the exception of "Other Debtors" and "Inventory".	
	Non current assets	(4,088,719)	A decrease in non current assets against projection with the exception of "Intangible Assets" and "Other non-current assets".	
	Current liabilities	(1,419,876)	A decrease in current liabilities against projections except "Consumer Deposits".	
	Non current liabilities	(664,385)	A decrease in non current liabilities items against projections except "Provisions".	
5	Cash Flow			
	Transfer receipts - capital	(185,742)	Less transfers received and recognised against projection.	
	Contributions & Contributed assets	1,263	No budget projection for the month.	
	Proceeds on disposal of PPE	(5,206)	No budget projection for the month.	
	Short term loans	1,180,000	No budget projection for the month.	
	Borrowing long term/refinancing	(114,335)	Long terms borrowings planned for later part of the financial year.	
	Increase in consumer deposits	906	An increase in consumer deposits against projection.	
	Receipt of non-current debtors	21,212	An increase in non-current debtors against projection.	
	Receipt of non-current receivables	(97,781)	A decrease in non-current receivables against projection.	
	Change in non-current investments	35,320	An increase in non-current receivables against projection.	
	Capital assets	(114,394)	Actual lower than projected.	
	Repayment of borrowing	1,267,643	Linked to repayment of short term loans.	
7	Municipal Entities			
	Revenue			
	Housing Company Tshwane	(14,969)	Spent less on "Transfers recognised - operational" due to buildings not yet transferred to HCT.	Due to challenges faced with the transfers, the buildings will be removed during the adjustment budget process and will be budgeted for in the 2017/2018 financial year.
	Sandspruit Works Association	(10,218)	Less "Other revenue" collected than projected.	None.
	Tshwane Economic Development Agency	(5,105)	Agency Revenue will be revised downwards.	
	Expenditure			
	Housing Company Tshwane	(20,388)	"Contracted Services" is the main contributor. The supplier for the Timberland was appointed for only phase 1.	Going forward, the Supplier/ Contractor for feasibility studies will be appointed for both phase one and phase two to avoid delay.
	Sandspruit Works Association	(5,389)	Spending on "Other expenditure" less than projected.	None.
	Tshwane Economic Development Agency	(10,619)	"Other expenditure" is the main contributor. Expenditure less than projected.	
	Capital Expenditure			
	Housing Company Tshwane	(40,954)	Delays in the starting of construction on Townlands project.	Construction will commence during the end of February 2017.
	Sandspruit Works Association	(4,614)	Expenditure on "Other Assets" less than planned.	
	Tshwane Economic Development Agency	1,793	"Other Assets" purchased earlier than projected.	

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

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

Description of financial indicator	Basis of calculation	Ref	2015/16	Budget Year 2016/17		
			Unaudited Outcome	Original Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		2.2%	8.2%	9.5%	8.2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure ex cl. transfers and grants		78.8%	47.7%	83.9%	47.7%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		101.3%	70.3%	73.1%	70.3%
Gearing	Long Term Borrowing/ Funds & Reserves		4086.7%	4339.9%	4334.4%	4339.9%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	1	0.6%	1.1%	1.0%	1.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.1%	0.5%	0.3%	0.5%
<u>Revenue Management</u>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		86.1%	95.3%	102.4%	95.3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		14.8%	13.6%	21.5%	13.6%
Longstanding Debtors Recovered	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%	96.1%	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	20.7%	9.0%	20.2%	9.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	29.4%	22.6%	21.2%	22.6%
Employee costs	Employee costs/Total Revenue - capital revenue		28.9%	25.2%	25.0%	25.2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.5%	4.9%	0.6%	4.9%
Interest & Depreciation	I&D/Total Revenue - capital revenue		10.0%	7.7%	7.9%	7.7%
<u>IDP regulation financial viability indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		13.3	14.8	16.7	14.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		10.2%	8.9%	13.2%	8.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		0.04	0.13	0.59	0.13

(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 2016/17									Total over 90 days	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			
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	335,526	54,962	36,314	51,867	76,581	59,344	282,943	952,065	1,849,602	1,422,800	980	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	249,759	19,925	26,340	24,781	28,212	17,372	88,795	565,990	1,021,175	725,151	420	-	
Receivables from Non-ex change Transactions - Property Rates	1400	479,420	68,298	82,464	81,590	64,257	50,884	228,484	1,158,740	2,214,138	1,583,956	230	-	
Receivables from Exchange Transactions - Waste Water Management	1500	65,487	8,328	8,039	6,026	7,470	6,736	35,718	147,560	285,364	203,510	293	-	
Receivables from Exchange Transactions - Waste Management	1600	101,820	16,089	14,602	13,457	13,083	13,049	69,296	280,692	522,088	389,578	426	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	10,161	1,551	1,118	1,382	844	194,507	212	39,857	249,630	236,801	-	-	
Interest on Arrear Debtor Accounts	1810	115,951	42,512	42,714	38,813	33,396	36,414	191,288	946,200	1,447,289	1,246,111	556	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	37,657	281	17,257	17,286	36,455	5,900	90,676	590,895	796,408	741,213	774	-	
Total By Income Source	2000	1,395,781	211,946	228,848	235,202	260,298	384,206	987,413	4,682,000	8,385,695	6,549,120	3,679	-	
2015/16 - totals only		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	0	
Debtors Age Analysis By Customer Group														
Organs of State	2200	86,883	13,834	15,908	12,756	7,273	(14,111)	8,652	(17,326)	113,870	(2,755)	-	-	
Commercial	2300	455,377	39,929	68,219	66,144	69,760	133,137	203,811	1,052,405	2,088,782	1,525,257	-	-	
Households	2400	752,106	133,318	138,805	131,873	128,384	133,384	630,349	2,822,805	4,871,026	3,846,796	3,248	-	
Other	2500	101,415	24,864	5,915	24,429	54,880	131,796	144,600	824,116	1,312,017	1,179,823	431	-	
Total By Customer Group	2600	1,395,781	211,946	228,848	235,202	260,298	384,206	987,413	4,682,000	8,385,695	6,549,120	3,679	-	

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

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

Description		NT Code	Budget Year 2016/17								Prior year totals for chart (same period)
			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	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	611,629								611,629	801,560
Bulk Water	0200	175,765								175,765	176,320
PAYE deductions	0300	90,988								90,988	82,383
VAT (output less input)	0400	(88,240)								(88,240)	(89,932)
Pensions / Retirement deductions	0500	104,254								104,254	97,683
Loan repayments	0600	1,326,150								1,326,150	172,606
Trade Creditors	0700	988,215								988,215	572,790
Auditor General	0800	4,687								4,687	10,852
Other	0900	523,178								523,178	1,958,580
Total By Customer Type	1000	3,736,625	-	-	-	-	-	-	-	3,736,625	3,782,842

(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 Yrs/Months	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									
Municipality									
Call Investment deposits < 90 days									
Knysna Stocks	24	15y	Stock	31.12.2018	0	0.0%	715	–	715
Sanlam	26	14y	Insurance pol	07.12.2015	–	3.0%	–	–	–
Sanlam	27	14y	Insurance pol	01.01.2016	–	3.0%	–	–	–
Capital Alliance	28	8y	Insurance pol	On selling da	1	2.0%	622	(623)	0
Capital Alliance	29	9y	Insurance pol	On selling da	5	3.0%	1,969	(1,974)	–
ABSA	32	On Call	Money Marke	On call	131	5.2%	29,591	–	29,721
ABSA	33	On Call	Money Marke	On call	46	5.2%	10,370	–	10,415
ABSA	34	On Call	Money Marke	On call	34	5.2%	7,767	–	7,801
ABSA	35	On Call	Money Marke	On call	1	5.2%	171	–	172
Investec Bank	37	On Call	Money Marke	On call	115	5.2%	25,986	–	26,101
Investec Bank	38	On Call	Money Marke	On call	37	5.2%	8,306	–	8,343
Investec Bank	39	On Call	Money Marke	On call	5	5.2%	1,113	–	1,118
Standard Bank	40	On Call	Money Marke	On call	415	5.2%	93,984	–	94,399
Standard Bank	41	On Call	Money Marke	On call	13	5.2%	2,917	–	2,930
Investec Bank	108	On Call	Money Marke	On call	153	6.0%	30,033	–	30,186
RMB	237	On Call	Money Marke	31.10.2011	–	0.0%	–	–	–
STANLIB	106	On Call	Money Marke	On call	–	0.4%	8,152	–	8,152
ABSA	338	On Call	Short Term	On call	–	0.0%	15,066	85	15,152
Nedbank	341	On Call	Short Term	On call	–	0.0%	–	–	–
Standard Bank	340	On Call	Short Term	On call	–	5.8%	–	105,327	105,327
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	Sinking Fund	On call	–	0.0%	950,000	–	950,000
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	293	5.0%	68,915	–	69,208
Municipality sub-total					1,248		1,255,677	102,816	1,359,740
TOTAL INVESTMENTS AND INTEREST	2				1,248		1,255,677	102,816	1,359,740

(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	2015/16	Budget Year 2016/17						
			Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:		1,2								
<u>Operating Transfers and Grants</u>										
National Government:			3,298,840	3,646,903	1,070,841	2,654,780	2,685,586	(30,806)	-1.1%	3,646,903
EPWP Incentive			31,143	50,247	–	35,173	35,173	–		50,247
Finance Management			3,925	2,875	–	2,875	2,875	–		2,875
Fuel Levy			1,395,849	1,440,100	480,033	960,066	960,067	(1)	0.0%	1,440,100
Integrated City Development Grant			39,702	42,652	–	42,652	42,652	–		42,652
Local Government Equitable Share			1,654,390	1,864,838	590,808	1,367,823	1,398,628	(30,805)	-2.2%	1,864,838
Municipal Disaster Recovery Grant		3	–	–	–	–	–	–		–
Municipal Human Settlement Capacity Grant			12,831	–	–	–	–	–		–
Public Transport Network Operations Grant			161,000	200,011	–	200,011	200,011	–		200,011
Urban Settlement Development Grant			–	46,180	–	46,180	46,180	–		46,180
Provincial Government:			206,894	329,573	15,014	279,691	242,450	37,241	15.4%	329,573
Emergency Medical Services			59,687	62,850	–	43,995	43,995	–		62,850
HIV and Aids Grant			11,948	12,649	–	12,649	12,649	–		12,649
HSDG (Top Structure)			86,656	203,033	–	203,033	149,778	53,255	35.6%	203,033
Primary Health Care		4	42,085	44,325	13,298	13,298	31,028	(17,730)	-57.1%	44,325
Research & Tecnology Development Services			893	–	–	–	–	–		–
Sport & Recreation: Community Libraries			5,625	6,716	1,716	6,716	5,000	1,716	34.3%	6,716
Other grant providers:			359,222	263,847	14,646	171,060	135,028	36,033	26.7%	263,847
Broadband/Wifi DTPS			8,850	–	–	–	–	–		–
Housing Company Tshwane			19,761	36,757	1,661	9,125	22,845	(13,720)	-60.1%	36,757
LG SETA Discretionary Grant			–	–	–	–	–	–		–
Sandspruit			270,575	172,940	12,985	134,862	88,342	46,520	52.7%	172,940
TEDA			60,036	54,150	–	27,074	23,841	3,233	13.6%	54,150
Total Operating Transfers and Grants		5	3,864,956	4,240,323	1,100,501	3,105,531	3,063,063	42,468	1.4%	4,240,323
<u>Capital Transfers and Grants</u>										
National Government:			2,378,161	2,331,654	420	1,034,168	1,034,168	–		2,331,654
Energy Efficiency & Demand Side Management			7,000	–	–	–	–	–		–
Finance Management			250	–	–	–	–	–		–
Integrated National Electricity Programme			37,000	40,000	420	21,885	21,885	–		40,000
Neighbourhood Development Partnership			62,619	48,500	–	13,800	13,800	–		48,500
Public Transport Network Operations Grant			770,609	750,000	–	274,996	274,996	–		750,000
Urban Settlement Development Grant			1,500,683	1,493,154	–	723,487	723,487	–		1,493,154
Provincial Government:			30,551	26,284	11,355	21,025	16,670	4,355	26.1%	26,284
Gautrans			–	–	–	–	–	–		–
Social Infrastructure Grant			23,000	21,000	10,072	15,741	12,670	3,072	24.2%	21,000
Sport and Recreation: Community Libraries			7,551	5,284	1,284	5,284	4,000	1,284	32.1%	5,284
Other grant providers:			1,388	200	–	–	–	–		200
Housing Delft Grant			–	–	–	–	–	–		–
LG SETA Discretionary Grant			–	–	–	–	–	–		–
Smart Connect Grant			1,388	200	–	–	–	–		200
Total Capital Transfers and Grants		5	2,410,100	2,358,138	11,775	1,055,193	1,050,838	4,355	0.4%	2,358,138
TOTAL RECEIPTS OF TRANSFERS & GRANTS		5	6,275,056	6,598,461	1,112,276	4,160,724	4,113,901	46,823	1.1%	6,598,461

(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

City of Tshwane - Supporting Table 05 (1) Monthly Budget Statement - transfers and grant expenditure - 300 December									
Description	Ref	2015/16	Budget Year 2016/17						
		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:		3,260,168	3,646,903	1,140,865	2,499,102	2,405,650	93,453	3.9%	3,646,903
EPWP Incentive		31,143	50,247	9,745	35,173	35,173	0	0.0%	50,247
Finance Management		3,902	2,875	382	2,451	1,437	1,013	70.5%	2,875
Fuel Levy		1,395,849	1,440,100	480,033	960,066	960,066	-		1,440,100
Integrated City Development Grant		10,225	42,652	-	5,799	42,652	(36,853)	-86.4%	42,652
Local Government Equitable Share		1,654,389	1,864,838	621,613	1,398,628	1,243,226	155,402	12.5%	1,864,838
Municipal Disaster Recovery Grant		-	-	-	-	-	-		-
Municipal Human Settlement Capacity Grant		4,401	-	-	-	-	-		-
Public Transport Network Operations Grant		160,259	200,011	29,092	87,750	100,006	(12,256)	-12.3%	200,011
Urban Settlement Development Grant		-	46,180	-	9,236	23,090	(13,854)	-60.0%	46,180
Provincial Government:		192,289	329,573	1,546	81,403	195,904	(114,501)	-58.4%	329,573
Emergency Medical Services		59,687	62,850	-	43,995	43,995	-		62,850
HIV and Aids Grant		11,948	12,649	2,944	8,591	12,649	(4,058)	-32.1%	12,649
HSDG (Top Structure)		73,772	203,033	(1,643)	27,859	101,517	(73,657)	-72.6%	203,033
Primary Health Care		42,085	44,325	-	-	31,027	(31,027)	-100.0%	44,325
Research & Tecnology Development Services		369	-	-	-	-	-		-
Sport & Recreation: Community Libraries		4,429	6,716	245	958	6,716	(5,758)	-85.7%	6,716
Other grant providers:		358,135	263,847	14,646	172,147	135,028	37,120	27.5%	263,847
Broadband/Wifi DTPS		7,763	-	-	1,087	-	1,087	#DIV/0!	-
Housing Company Tshwane		19,761	36,757	1,661	9,125	22,845	(13,720)	-60.1%	36,757
LG SETA Discretionary Grant		-	-	-	-	-	-		-
Sandspruit		270,575	172,940	12,985	134,862	88,342	46,520	52.7%	172,940
TEDA		60,036	54,150	-	27,074	23,841	3,233	13.6%	54,150
Total operating expenditure of Transfers and Grants:		3,810,593	4,240,323	1,157,056	2,752,653	2,736,582	16,071	0.6%	4,240,323
Capital expenditure of Transfers and Grants									
National Government:		2,194,753	2,331,654	210,112	929,117	1,167,882	(238,766)	-20.4%	2,331,654
Energy Efficiency & Demand Side Management		-	-	-	-	-	-		-
Finance Management		157	-	-	-	-	-		-
Integrated National Electricity Programme		36,801	40,000	6,774	18,891	20,000	(1,109)	-5.5%	40,000
Neighbourhood Development Partnership		62,619	48,500	3,724	16,470	24,250	(7,780)	-32.1%	48,500
Public Transport Network Operations Grant		471,556	750,000	48,318	171,554	371,013	(199,459)	-53.8%	750,000
Urban Settlement Development Grant		1,623,621	1,493,154	151,296	722,201	752,619	(30,418)	-4.0%	1,493,154
Provincial Government:		39,273	38,355	3,960	20,047	20,869	(823)	-3.9%	38,355
Gautrans		-	12,071	-	-	6,036	(6,036)	-100.0%	12,071
Social Infrastructure Grant		33,000	21,000	3,102	19,126	13,090	6,036	46.1%	21,000
Sport and Recreation: Community Libraries		6,273	5,284	859	920	1,744	(824)	-47.2%	5,284
Other grant providers:		1,773	200	-	-	200	(200)	-100.0%	200
Housing Delft Grant		-	-	-	-	-	-		-
LG SETA Discretionary Grant		-	-	-	-	-	-		-
Smart Connect Grant		1,773	200	-	-	200	(200)	-100.0%	200
Total capital expenditure of Transfers and Grants		2,235,800	2,370,209	214,073	949,163	1,188,952	(239,788)	-20.2%	2,370,209
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		6,046,393	6,610,532	1,371,129	3,701,816	3,925,533	(223,717)	-5.7%	6,610,532

(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 2016/17				
		Approved Rollover 2015/16	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					-	
Municipal Human Settlement Capacity Grant					-	
Public Transport Network Operations Grant					-	
Urban Settlement Development Grant					-	
Provincial Government:		-	-	-	-	
Emergency Medical Services					-	
HIV and Aids Grant					-	
HSDG (Top Structure)					-	
Primary Health Care					-	
Research & Technology Development Services					-	
Sport & Recreation: Community Libraries					-	
Other grant providers:		-	-	-	-	
Broadband/Wifi DTSP					-	
Housing Company Tshwane					-	
LG SETA Discretionary Grant					-	
Sandspruit					-	
TEDA					-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
<u>Capital expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
Energy Efficiency & Demand Side Management					-	
Finance Management					-	
Integrated National Electricity Programme					-	
Neighbourhood Development Partnership					-	
Public Transport Network Operations Grant					-	
Urban Settlement Development Grant					-	
Provincial Government:		-	-	-	-	
Gautrans					-	
Social Infrastructure Grant					-	
Sport and Recreation: Community Libraries					-	
Other grant providers:		-	-	-	-	
Housing Delft Grant					-	
LG SETA Discretionary Grant					-	
Smart Connect Grant					-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	-	-	

Note: Rollovers granted will be incorporated after approval of the 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	2015/16	Budget Year 2016/17						
		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		109,968	117,967	9,413	55,271	58,983	(3,712)	-6%	117,967
Other benefits and allowances		2,475	2,500	95	710	1,250	(540)	-43%	2,500
Sub Total - Councillors		112,443	120,467	9,508	55,981	60,233	(4,252)	-7%	120,467
% increase	4		7.1%						7.1%
Senior Managers of the Municipality	3								
Basic Salaries and Wages		53,595	59,748	3,094	21,994	29,874	(7,880)	-26%	59,748
Cellphone Allowance		601	732	34	238	366	(128)	-35%	732
Sub Total - Senior Managers of Municipality		54,196	60,480	3,128	22,232	30,240	(8,008)	-26%	60,480
% increase	4		11.6%						11.6%
Other Municipal Staff									
Basic Salaries and Wages		4,501,526	4,894,527	417,609	2,471,618	2,640,990	(169,372)	-6%	4,894,527
Pension and UIF Contributions		1,239,963	1,171,204	92,920	557,593	583,947	(26,353)	-5%	1,171,204
Medical Aid Contributions		415,154	417,710	36,857	221,972	208,811	13,161	6%	417,710
Overtime		371,580	212,189	29,068	186,919	118,807	68,113	57%	212,189
Performance Bonus		313	419	7	159	210	(51)	-24%	419
Motor Vehicle Allowance		303,286	334,721	25,467	153,301	167,482	(14,181)	-8%	334,721
Cellphone Allowance		17,782	22,946	1,372	8,210	11,304	(3,094)	-27%	22,946
Housing Allowances		35,179	26,129	3,256	19,905	14,008	5,896	42%	26,129
Other benefits and allowances		317,097	342,493	29,486	177,195	173,869	3,327	2%	342,493
Post-retirement benefit obligations	2	–	203,073	–	–	97,536	(97,536)	-100%	203,073
Sub Total - Other Municipal Staff		7,201,879	7,625,411	636,040	3,796,872	4,016,964	(220,091)	-5%	7,625,411
% increase	4		5.9%						5.9%
Total Parent Municipality		7,368,518	7,806,358	648,676	3,875,085	4,107,437	(232,352)	-6%	7,806,358
Unpaid salary, allowances & benefits in arrears:									
Board Members of Entities									
Board Fees		4,199	5,368	302	1,955	2,622	(668)	-25%	5,368
Sub Total - Board Members of Entities	2	4,199	5,368	302	1,955	2,622	(668)	-25%	5,368
% increase	4		27.8%						27.8%
Senior Managers of Entities									
Basic Salaries and Wages		23,282	27,353	3,083	13,907	9,854	4,053	41%	27,353
Pension and UIF Contributions		2,094	1,934	77	641	969	(329)	-34%	1,934
Medical Aid Contributions		942	1,233	60	437	620	(183)	-29%	1,233
Performance Bonus		129	643	–	–	321	(321)	-100%	643
Motor Vehicle Allowance		2,471	3,713	135	1,172	1,864	(692)	-37%	3,713
Cellphone Allowance		338	214	23	184	107	77	72%	214
Housing Allowances		317	360	18	125	180	(55)	-30%	360
Other benefits and allowances		446	601	9	113	304	(192)	-63%	601
Sub Total - Senior Managers of Entities		30,019	36,052	3,405	16,579	14,219	2,359	17%	36,052
% increase	4		20.1%						20.1%
Other Staff of Entities									
Basic Salaries and Wages		66,535	82,127	6,733	36,158	39,151	(2,993)	-8%	82,127
Pension and UIF Contributions		9,953	13,760	1,030	5,961	6,885	(924)	-13%	13,760
Medical Aid Contributions		8,993	10,714	814	4,728	5,362	(634)	-12%	10,714
Overtime		2,380	2,484	86	1,435	1,240	195	16%	2,484
Performance Bonus		–	4,875	188	188	2,433	(2,245)	-92%	4,875
Motor Vehicle Allowance		6,057	6,606	536	3,186	3,297	(111)	-3%	6,606
Cellphone Allowance		480	426	45	251	213	38	18%	426
Housing Allowances		2,967	3,527	287	1,742	1,760	(19)	-1%	3,527
Other benefits and allowances		2,237	2,385	–	1,109	1,195	(86)	-7%	2,385
Sub Total - Other Staff of Entities		99,603	126,903	9,719	54,758	61,536	(6,778)	-11%	126,903
% increase	4		27.4%						27.4%
Total Municipal Entities		133,821	168,323	13,426	73,292	78,378	(5,086)	-6%	168,323
TOTAL SALARY, ALLOWANCES & BENEFITS		7,502,339	7,974,681	662,103	3,948,377	4,185,815	(237,438)	-6%	7,974,681
% increase	4		6.3%						6.3%
TOTAL MANAGERS AND STAFF		7,385,697	7,848,847	652,292	3,890,442	4,122,959	(232,518)	-6%	7,848,847

(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 2016/17			2016/17 Medium Term Revenue & Expenditure Framework		
		Dec Budget	Dec Actual	Dec Variance	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands	1						
<u>Cash Receipts By Source</u>							
Property rates		462,403	413,777	(48,626)	5,533,559	6,032,645	6,516,106
Service charges - electricity revenue		949,841	885,483	(64,358)	10,905,836	11,832,832	12,720,295
Service charges - water revenue		302,891	276,243	(26,647)	3,835,403	4,262,897	4,695,908
Service charges - sanitation revenue		71,159	72,588	1,429	911,637	1,012,764	1,115,309
Service charges - refuse		96,161	97,541	1,380	1,157,175	1,262,165	1,363,811
Service charges - other		15,340	–	(15,340)	201,177	213,650	226,256
Rental of facilities and equipment		10,772	10,321	(451)	129,430	143,487	160,846
Interest earned - external investments		3,535	6,507	2,973	42,417	45,020	40,194
Interest earned - outstanding debtors		17,018	52,964	35,946	204,214	217,550	231,141
Fines		16,555	96,336	79,781	198,658	210,975	223,423
Licences and permits		5,047	4,301	(746)	60,564	64,319	68,114
Agency services		–	–	–	2,878	12,502	24,500
Transfer receipts - operating		1,137,065	1,085,855	(51,210)	4,240,323	4,338,748	4,687,079
Other revenue		149,485	43,292	(106,193)	1,795,964	953,970	1,043,691
Cash Receipts by Source		3,237,270	3,045,208	(192,062)	29,219,235	30,603,525	33,116,670
<u>Other Cash Flows by Source</u>							
Transfer receipts - capital		197,517	11,775	(185,742)	2,370,209	2,449,064	2,532,510
Contributions & Contributed assets		–	1,263	1,263	–	–	–
Proceeds on disposal of PPE		–	(5,206)	(5,206)	–	–	–
Short term loans		–	(20,000)	(20,000)	–	–	–
Borrowing long term/refinancing		114,335	–	(114,335)	1,000,000	1,000,000	1,000,000
Increase in consumer deposits		607	1,513	906	7,366	7,509	7,655
Receipt of non-current debtors		(20,131)	1,081	21,212	(241,572)	(251,558)	(262,137)
Receipt of non-current receivables		230	(97,551)	(97,781)	2,759	(4,922)	(5,303)
Change in non-current investments		(25,249)	10,071	35,320	(302,991)	(31,376)	28,328
Total Cash Receipts by Source		3,504,580	2,948,155	(556,424)	32,055,005	33,772,242	36,417,722
<u>Cash Payments by Type</u>							
Employee related costs		605,607	650,886	45,279	7,614,468	8,073,533	8,565,420
Remuneration of councillors		10,426	9,811	(616)	125,328	133,060	141,390
Interest paid		89,947	347,482	257,535	1,057,999	1,114,849	1,088,808
Bulk purchases - Electricity		624,618	534,504	(90,115)	7,495,422	8,132,114	8,741,714
Bulk purchases - Water & Sewer		218,318	173,866	(44,453)	2,461,604	2,731,800	3,001,741
Other materials		21,872	11,467	(10,405)	283,962	301,535	320,296
Contracted services		206,992	283,877	76,885	2,657,237	2,926,415	3,168,402
Grants and subsidies paid - other		24,005	2,542	(21,463)	288,055	284,074	290,591
General expenses		305,520	472,335	166,815	3,912,758	3,898,474	4,097,336
Cash Payments by Type		2,107,306	2,486,769	379,463	25,896,832	27,595,853	29,415,698
<u>Other Cash Flows/Payments by Type</u>							
Capital assets		363,688	249,294	(114,394)	4,339,234	3,598,863	3,872,759
Repayment of borrowing		58,507	126,150	67,643	702,083	815,838	815,838
Total Cash Payments by Type		2,529,500	2,862,213	332,712	30,938,150	32,010,555	34,104,295
NET INCREASE/(DECREASE) IN CASH HELD		975,079	85,943	(889,136)	1,116,856	1,761,688	2,313,426
Cash/cash equivalents at the month/year beginning:		1,642,049	1,370,907		2,012,796	3,129,652	4,891,340
Cash/cash equivalents at the month/year end:		2,617,128	1,456,850	(889,136)	3,129,652	4,891,340	7,204,766

(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	2015/16	Budget Year 2016/17						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
<u>Revenue By Source</u>									
Property rates		5,384,019	5,764,124	413,777	2,881,483	2,823,552	57,931	2%	5,764,124
Service charges - electricity revenue		9,340,209	11,360,246	881,000	6,144,635	5,825,840	318,795	5%	11,360,246
Service charges - water revenue		3,226,514	3,815,498	246,509	1,535,935	1,854,167	(318,232)	-17%	3,815,498
Service charges - sanitation revenue		760,693	894,777	62,498	392,966	439,565	(46,598)	-11%	894,777
Service charges - refuse revenue		1,128,046	1,205,390	95,173	611,981	589,053	22,927	4%	1,205,390
Service charges - other		232,687	209,560	29,688	145,986	101,812	44,174	43%	209,560
Rental of facilities and equipment		131,388	127,397	9,860	57,081	63,698	(6,617)	-10%	127,397
Interest earned - external investments		56,000	41,895	6,471	39,924	20,948	18,977	91%	41,895
Interest earned - outstanding debtors		361,055	187,512	46,099	247,409	93,756	153,653	164%	187,512
Fines		160,585	198,658	96,336	155,600	99,329	56,271	57%	198,658
Licences and permits		48,743	60,564	4,301	22,081	30,282	(8,201)	-27%	60,564
Transfers recognised - operational		3,516,826	3,976,476	1,142,410	2,571,270	2,601,554	(30,284)	-1%	3,976,476
Other revenue		755,809	1,736,142	42,838	399,579	866,700	(467,121)	-54%	1,736,142
Gains on disposal of PPE		165,263	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contribution)		25,267,839	29,578,240	3,076,961	15,205,930	15,410,257	(204,327)	-1%	29,578,240
<u>Expenditure By Type</u>									
Employee related costs		7,240,936	7,459,140	637,387	3,808,425	3,937,612	(129,186)	-3%	7,459,140
Remuneration of councillors		112,443	120,467	9,508	55,981	60,233	(4,252)	-7%	120,467
Debt impairment		987,510	849,492	70,791	424,746	424,746	(0)	0%	849,492
Depreciation & asset impairment		1,416,448	1,254,567	123,096	669,969	627,284	42,686	7%	1,254,567
Finance charges		1,136,967	1,057,638	347,454	553,495	518,142	35,353	7%	1,057,638
Bulk purchases		8,808,849	9,748,736	693,434	4,574,547	4,884,330	(309,783)	-6%	9,748,736
Other materials		228,674	272,961	11,325	92,948	153,760	(60,812)	-40%	272,961
Contracted services		3,119,283	2,673,690	281,134	1,302,087	1,478,028	(175,941)	-12%	2,673,690
Transfers and grants		394,349	288,055	2,542	(200,579)	144,027	(344,606)	-239%	288,055
Other expenditure		3,844,269	3,922,825	229,563	1,373,631	2,233,566	(859,935)	-39%	3,922,825
Loss on disposal of PPE		13,098	1	5,206	3,006	0	3,006	603526%	1
Total Expenditure		27,302,826	27,647,570	2,411,440	12,658,257	14,461,728	(1,803,472)	-12%	27,647,570
<u>Surplus/(Deficit)</u>		(2,034,987)	1,930,670	665,521	2,547,673	948,528	1,599,145	169%	1,930,670
Transfers recognised - capital		2,452,210	2,370,209	208,301	931,466	1,185,104	(253,639)	-21%	2,370,209
Surplus/(Deficit) after capital transfers & contributions		417,223	4,300,879	873,821	3,479,139	2,133,633	1,345,506	63%	4,300,879
Surplus/(Deficit) after taxation		417,223	4,300,879	873,821	3,479,139	2,133,633	1,345,506	63%	4,300,879

(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	2015/16	Budget Year 2016/17						
		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>									
<i>Housing Company Tshwane</i>		23,906	45,863	2,174	12,036	27,005	(14,969)	-55%	45,863
<i>Sandspruit Works Association</i>		593,037	521,135	36,855	253,463	263,680	(10,218)	-4%	521,135
<i>Tshwane Economic Development Agency</i>		65,937	64,631	11	27,209	32,314	(5,105)	-16%	64,631
Total Operating Revenue	1	682,880	631,629	39,040	292,707	323,000	(30,293)	-9%	631,629
<u>Expenditure By Municipal Entity</u>									
<i>Housing Company Tshwane</i>		37,416	49,114	2,587	9,958	30,347	(20,388)	-67%	49,114
<i>Sandspruit Works Association</i>		588,270	521,135	39,059	253,625	259,014	(5,389)	-2%	521,135
<i>Tshwane Economic Development Agency</i>		61,210	64,131	5,799	22,784	33,403	(10,619)	-32%	64,131
Total Operating Expenditure	2	686,896	634,380	47,445	286,367	322,764	(36,397)	-11%	634,380
Surplus/ (Deficit) for the yr/period		(4,016)	(2,751)	(8,405)	6,340	236	(66,689)	-28284%	(2,751)
<u>Capital Expenditure By Municipal Entity</u>									
<i>Housing Company Tshwane</i>		260	41,304	4	351	41,304	(40,954)	-99%	41,304
<i>Sandspruit Works Association</i>		1,253	7,300	–	53	4,666	(4,614)	-99%	7,300
<i>Tshwane Economic Development Agency</i>		470	5,923	1,626	1,793	–	1,793		5,923
Total Capital Expenditure	3	1,984	54,528	1,630	2,196	45,971	(43,775)	-95%	54,528

(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	2015/16	Budget Year 2016/17						
	Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
<u>Monthly expenditure performance trend</u>								
July	55,244	285,097	124	124	285,097	284,973	100.0%	0.003%
August	114,501	344,750	128,494	128,619	629,847	501,228	79.6%	3%
September	216,442	416,994	152,136	280,755	1,046,842	766,087	73.2%	6%
October	281,690	366,991	352,182	632,937	1,413,832	780,895	55.2%	14%
November	430,224	384,023	286,123	919,060	1,797,855	878,795	48.9%	21%
December	356,854	399,243	249,294	1,168,354	2,197,098	1,028,744	46.8%	26%
January	118,180	373,789			2,570,887	–		
February	280,719	367,045			2,937,932	–		
March	244,613	406,345			3,344,277	–		
April	361,269	353,507			3,697,785	–		
May	703,503	424,567			4,122,352	–		
June	805,355	342,857			4,465,209	–		
Total Capital expenditure	3,968,594	4,465,209	1,168,354					

(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	2015/16	Budget Year 2016/17						
		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		1,680,103	2,655,486	118,577	484,555	1,319,342	834,787	63.3%	2,655,486
Infrastructure - Road transport		1,347,676	1,155,536	103,123	394,746	569,777	175,030	30.7%	1,155,536
Roads, Pavements & Bridges		901,901	769,450	49,130	208,861	380,738	171,878	45.1%	769,450
Storm water		445,776	386,086	53,993	185,886	189,039	3,153	1.7%	386,086
Infrastructure - Electricity		100,016	1,126,000	9,213	49,062	547,156	498,093	91.0%	1,126,000
Generation		99,069	176,000	9,213	49,062	72,156	23,093	32.0%	176,000
Transmission & Reticulation		948	950,000	–	–	475,000	475,000	100.0%	950,000
Infrastructure - Water		39,032	68,000	2,479	9,024	32,395	23,371	72.1%	68,000
Dams & Reservoirs		39,032	66,000	2,479	9,024	31,395	22,371	71.3%	66,000
Reticulation		–	2,000	–	–	1,000	1,000	100.0%	2,000
Infrastructure - Other		193,378	305,950	3,762	31,722	170,015	138,293	81.3%	305,950
Waste Management		4,998	–	–	3,675	–	(3,675)	#DIV/0!	–
Transportation		2,598	16,500	695	1,688	8,250	6,562	79.5%	16,500
Other		185,782	289,450	3,067	26,359	161,765	135,406	83.7%	289,450
Community		172,432	195,400	7,209	55,872	120,858	64,986	53.8%	195,400
Sportsfields & stadia		38,946	103,000	3,125	26,723	56,200	29,477	52.5%	103,000
Libraries		8,954	10,000	–	4,896	6,500	1,604	24.7%	10,000
Recreational facilities		9,844	–	–	–	–	–	–	–
Security and policing		8,852	30,000	–	–	30,000	30,000	100.0%	30,000
Clinics		83,526	50,900	3,929	23,906	26,658	2,752	10.3%	50,900
Cemeteries		22,310	1,500	155	347	1,500	1,153	76.9%	1,500
Investment properties		8,937	64,259	4,676	18,221	20,585	2,364	11.5%	64,259
Housing development		–	10,259	–	–	3,078	3,078	100.0%	10,259
Other		8,937	54,000	4,676	18,221	17,508	(713)	-4.1%	54,000
Other assets		24,500	15,784	859	1,285	6,200	4,916	79.3%	15,784
General vehicles		–	–	–	–	–	–	–	–
Specialised vehicles		–	–	–	–	–	–	–	–
Furniture and other office equipment		16,472	10,284	859	1,285	2,994	1,709	57.1%	10,284
Markets		5,344	5,500	–	–	3,207	3,207	100.0%	5,500
Other		2,684	–	–	–	–	–	–	–
Intangibles		129,907	50,200	–	15,570	16,200	630	3.9%	50,200
Computers - software & programming		129,907	50,200	–	15,570	16,200	630	3.9%	50,200
Total Capital Expenditure on new assets	1	2,015,879	2,981,128	131,322	575,503	1,483,186	907,683	61.2%	2,981,128

(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	2015/16	Budget Year 2016/17						
		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		894,869	743,735	68,759	240,606	336,775	96,168	28.6%	743,735
Infrastructure - Road transport		63,502	15,473	–	–	7,736	7,736	100.0%	15,473
Roads, Pavements & Bridges		62,519	12,071	–	–	6,036	6,036	100.0%	12,071
Storm water		984	3,402	–	–	1,701	1,701	100.0%	3,402
Infrastructure - Electricity		330,968	302,665	22,545	89,130	144,485	55,355	38.3%	302,665
Generation		220,540	241,665	19,836	70,169	118,032	47,863	40.6%	241,665
Transmission & Reticulation		42,835	61,000	2,710	18,961	26,453	7,492	28.3%	61,000
Street Lighting		67,593	–	–	–	–	–		–
Infrastructure - Water		402,166	255,500	42,946	138,137	115,415	(22,722)	-19.7%	255,500
Reticulation		402,166	255,500	42,946	138,137	115,415	(22,722)	-19.7%	255,500
Infrastructure - Sanitation		51,202	60,000	2,839	6,309	10,604	4,295	40.5%	60,000
Reticulation		46,785	55,000	2,839	6,309	8,104	1,795	22.1%	55,000
Sewerage purification		4,417	5,000	–	–	2,500	2,500	100.0%	5,000
Infrastructure - Other		47,032	110,097	429	7,031	58,535	51,504	88.0%	110,097
Waste Management		11,996	21,000	–	2,085	13,986	11,901	85.1%	21,000
Transportation		35,036	59,097	429	4,946	29,549	24,603	83.3%	59,097
Other		–	30,000	–	–	15,000	15,000	100.0%	30,000
Community		108,646	55,500	4,556	19,284	27,550	8,266	30.0%	55,500
Parks & gardens		34,499	–	–	–	–	–		–
Fire, safety & emergency		1,940	5,000	–	1,982	2,500	518		5,000
Clinics		2,699	–	–	–	–	–		–
Cemeteries		6,890	2,000	832	832	800	(32)	-4.0%	2,000
Other		62,619	48,500	3,724	16,470	24,250	7,780	32.1%	48,500
Investment properties		834,290	534,845	41,565	296,569	297,842	1,273	0.4%	534,845
Housing development		829,300	527,445	41,565	296,569	294,162	(2,407)	-0.8%	527,445
Other		4,990	7,400	–	–	3,680	3,680	100.0%	7,400
Other assets		114,910	150,000	3,092	36,392	51,746	15,354	29.7%	150,000
General vehicles		18,195	–	–	–	–	–		–
Specialised vehicles		–	–	–	–	–	–		–
Plant & equipment		2,326	3,000	–	–	1,800	1,800	100.0%	3,000
Computers - hardware/equipment		14,806	20,000	–	2,232	2,000	(232)		20,000
Furniture and other office equipment		16,588	10,000	–	–	5,000	5,000	100.0%	10,000
Other Buildings		28,217	61,500	3,064	12,776	29,521	16,745	56.7%	61,500
Other		34,778	55,500	28	21,384	13,425	(7,959)		55,500
Intangibles		–	–	–	–	–	–		–
Computers - software & programming		–	–	–	–	–	–		–
Other		–	–	–	–	–	–		–
Total Capital Expenditure on renewal of existing ass	1	1,952,715	1,484,080	117,972	592,852	713,913	121,061	17.0%	1,484,080

(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	2015/16	Budget Year 2016/17						Full Year Forecast
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1								
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure		747,581	777,813	58,293	284,198	467,841	183,643	39.3%	777,813
Infrastructure - Road transport		125,594	131,316	7,782	19,426	117,374	97,948	83.4%	131,316
Roads, Pavements & Bridges		107,606	113,036	5,304	15,054	101,760	86,706	85.2%	113,036
Storm water		17,987	18,280	2,478	4,372	15,614	11,242	72.0%	18,280
Infrastructure - Electricity		406,974	365,514	18,801	138,614	206,641	68,027	32.9%	365,514
Generation		71,300	70,799	220	11,806	35,399	23,593	66.6%	70,799
Transmission & Reticulation		271,891	237,433	14,934	103,748	139,373	35,625	25.6%	237,433
Street Lighting		63,784	57,282	3,647	23,060	31,869	8,809	27.6%	57,282
Infrastructure - Water		135,957	207,798	25,306	99,858	104,117	4,259	4.1%	207,798
Dams & Reservoirs		8,053	8,380	1,021	4,317	3,692	(626)	-16.9%	8,380
Water purification		12,464	10,669	604	2,096	5,231	3,135	59.9%	10,669
Reticulation		115,441	188,749	23,681	93,445	95,195	1,750	1.8%	188,749
Infrastructure - Sanitation		60,651	55,141	5,732	20,891	28,829	7,939	27.5%	55,141
Reticulation		22,033	18,490	1,644	6,694	10,504	3,810	36.3%	18,490
Sewerage purification		38,619	36,652	4,087	14,197	18,326	4,129	22.5%	36,652
Infrastructure - Other		18,404	18,044	671	5,409	10,880	5,470	50.3%	18,044
Waste Management		18,404	18,044	671	5,409	10,880	5,470	50.3%	18,044
Community		236,631	188,375	9,799	33,802	108,102	74,300	68.7%	188,375
Parks & gardens		29,396	33,412	1,330	7,710	19,767	12,058	61.0%	33,412
Sportsfields & stadia		26	198	-	-	22	22	100.0%	198
Recreational facilities		12,624	16,342	295	4,333	11,135	6,802	61.1%	16,342
Fire, safety & emergency		25,723	23,538	1,749	8,013	11,922	3,909	32.8%	23,538
Security and policing		33,695	33,466	4,471	6,367	28,049	21,682	77.3%	33,466
Buses		5,562	5,077	63	1,030	2,570	1,540	59.9%	5,077
Cemeteries		5,882	4,975	275	651	2,502	1,851	74.0%	4,975
Other		123,723	71,367	1,615	5,698	32,134	26,436	82.3%	71,367
Other assets		354,711	438,919	17,414	91,333	272,467	181,134	66.5%	438,919
General vehicles		106,794	157,644	4,031	41,959	79,320	37,361	47.1%	157,644
Specialised vehicles		-	-	-	-	-	-		-
Plant & equipment		35,987	44,647	2,607	7,676	25,956	18,281	70.4%	44,647
Computers - hardware/equipment		2,799	3,529	87	509	1,741	1,232	70.8%	3,529
Furniture and other office equipment		15,335	17,509	209	2,474	9,725	7,251	74.6%	17,509
Civic Land and Buildings		1,032	1,488	10	70	1,266	1,196	94.5%	1,488
Other Buildings		118,968	125,968	5,798	23,348	93,838	70,490	75.1%	125,968
Other Land		68,213	82,235	4,471	13,623	57,599	43,976	76.3%	82,235
Other		5,583	5,899	202	1,675	3,022	1,348	44.6%	5,899
Intangibles		74,308	72,141	7,318	35,743	36,193	449	1.2%	72,141
Computers - software & programming		74,308	72,141	7,318	35,743	36,193	449	1.2%	72,141
Total Repairs and Maintenance Expenditure		1,413,231	1,477,248	92,824	445,076	884,602	439,526	49.7%	1,477,248

(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	2015/16	Budget Year 2016/17						
		Unaudited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
<u>Depreciation by Asset Class/Sub-class</u>									
<u>Infrastructure</u>		920,334	957,834	92,671	416,499	474,212	57,712	12.2%	957,834
Infrastructure - Road transport		504,377	329,967	51,013	226,724	165,365	(61,359)	-37.1%	329,967
Roads, Pavements & Bridges		344,698	220,217	24,303	119,960	110,749	(9,211)	-8.3%	220,217
Storm water		159,679	109,750	26,709	106,764	54,616	(52,148)	-95.5%	109,750
Infrastructure - Electricity		154,040	402,570	15,710	79,372	198,044	118,673	59.9%	402,570
Generation		114,233	117,690	14,370	68,481	54,458	(14,023)	-25.7%	117,690
Transmission & Reticulation		15,649	284,880	1,340	10,890	143,586	132,695	92.4%	284,880
Street Lighting		24,159	-	-	-	-	-	-	-
Infrastructure - Water		157,691	91,156	22,471	84,522	42,324	(42,199)	-99.7%	91,156
Dams & Reservoirs		13,950	18,598	1,226	5,183	8,990	3,807	42.3%	18,598
Reticulation		143,740	72,558	21,245	79,339	33,334	(46,005)	-138.0%	72,558
Infrastructure - Sanitation		18,300	16,907	1,404	3,624	3,036	(587)	-19.3%	16,907
Reticulation		16,722	15,498	1,404	3,624	2,320	(1,303)	-56.2%	15,498
Sewerage purification		1,579	1,409	-	-	716	716	100.0%	1,409
Infrastructure - Other		85,926	117,234	2,073	22,258	65,443	43,185	66.0%	117,234
Waste Management		6,074	5,917	-	3,308	4,005	696	17.4%	5,917
Transportation		13,451	21,302	556	3,810	10,823	7,013	64.8%	21,302
Other		66,401	90,015	1,517	15,140	50,615	35,475	70.1%	90,015
<u>Community</u>		100,462	70,699	5,820	43,166	42,495	(671)	-1.6%	70,699
Parks & gardens		12,330	-	-	-	-	-	-	-
Sportsfields & stadia		13,920	29,023	1,546	15,348	16,092	744	4.6%	29,023
Libraries		3,200	2,818	-	2,812	1,861	(951)	-51.1%	2,818
Recreational facilities		3,518	-	-	-	-	-	-	-
Fire, safety & emergency		693	1,409	-	1,138	716	(423)	-59.0%	1,409
Security and policing		3,164	8,453	-	-	8,590	8,590	100.0%	8,453
Clinics		30,818	14,343	1,943	13,730	7,633	(6,097)	-79.9%	14,343
Cemeteries		10,436	986	488	677	659	(19)	-2.8%	986
Other		22,381	13,666	1,842	9,460	6,944	(2,516)	-36.2%	13,666
<u>Investment properties</u>		301,382	168,816	22,875	180,801	91,178	(89,622)	-98.3%	168,816
Housing development		296,404	151,514	20,561	170,335	85,111	(85,224)	-100.1%	151,514
Other		4,978	17,301	2,313	10,465	6,067	(4,398)	-72.5%	17,301
<u>Other assets</u>		49,827	46,715	1,954	21,640	16,592	(5,047)	-30.4%	46,715
General vehicles		6,503	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-
Plant & equipment		831	845	-	-	515	515	100.0%	845
Computers - hardware/equipment		5,292	5,636	-	1,282	573	(709)	-123.9%	5,636
Furniture and other office equipment		11,816	5,716	425	738	2,289	1,551	67.8%	5,716
Markets		1,910	1,550	-	-	918	918	100.0%	1,550
Other Buildings		10,085	17,329	1,516	7,338	8,453	1,115	13.2%	17,329
Other		13,389	15,639	14	12,282	3,844	(8,438)	-219.5%	15,639
<u>Intangibles</u>		46,431	14,145	-	8,943	4,639	(4,304)	-92.8%	14,145
Computers - software & programming		46,431	14,145	-	8,943	4,639	(4,304)	-92.8%	14,145
Other		-	-	-	-	-	-	-	-
Total Depreciation		1,418,436	1,258,208	123,320	671,049	629,116	(41,933)	-6.7%	1,258,208

(r) Municipal Manager's Quality Certification

QUALITY CERTIFICATE

I, **LINDIWE KWELE**, the acting City Manager of the City of Tshwane, hereby certify that –

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

for the month of **December 2016** have been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: **LINDIWE KWELE**

ACTING CITY MANAGER OF THE CITY OF TSHWANE (TSH)

Signature: _____

Date: _____