

GREATER TZANEEN MUNICIPALITY



AUGUST 2019/2020 FINANCIAL REPORT

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1. BUDGET PERFORMANCES

1.1 OPERATING EXPENDITURE V/S CAPITAL EXPENDITURE

Description	Allocation (R)	Adjustment Budget (R)	August (R)	YTD Expenditure (R)	%YTD Expenditure	% YTD Target
Operating Expenditure	1,309,239,841	1,309,239,841	60,051,450	107,523,709	8.21%	16.66%
Capital Expenditure	142,484,850	142,484,850	24,246,351	29,801,091	20.92%	16.66%
TOTAL EXPENDITURE	1,451,724,691	1,451,724,691	84,297,801	137,324,801	9.46%	16.66%

OPERATIONAL EXPENDITURE

The actual operational expenditure represents 8.21% of the budgeted operational expenditure which is also less than the 16.66% that could have been spent. The Operational expenditure does not include water and sewer expenses. A provision for bad debt and depreciation has not been allocated. It must be mentioned that an amount of R88.3 million which represents bulk electricity purchased for July 2019 payable in August 2019 has not been included in the year to date expenditure. If the bulk electricity purchase, provision for bad debts and depreciation is included, the percentage year to date will increase to 15%.

CAPITAL EXPENDITURE

Expenditure incurred on Capital amounted to R24 246 351 at the end of Aug 2019. The total capital expenditure to date amounts to R 29 801 091 and the percentage spending is currently at 21%.

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1.2 SALARIES

Description	Allocation (R)	Adjustment Budget (R)	August (R)	YTD Expenditure (R)	%YTD Expenditure	% YTD Target
Employee Related Cost	357,715,346	357,715,346	26,094,965	54,242,826	15.16%	16.66%
TOTAL	357,715,346	357,715,346	26,094,965	54,242,826	15.16%	16.66%

1.3 OVERTIME

Department	Allocation (R)	Adjustment Budget (R)	August (R)	YTD Expenditure (R)	%YTD Expenditure	% YTD Budget
01-Municipal manager	0	0	14,237	27,001	0.00%	16.66%
02-Planning & economic development	0	0	0	0	0.00%	16.66%
03-Financial services	837,457	837,457	165,611	292,124	34.88%	16.66%
04-Corporate services	563,047	563,047	77,317	155,974	27.70%	16.66%
05-Engineering services	2,341,123	2,341,123	168,110	280,917	12.00%	16.66%
06-Community services	18,261,099	18,261,099	1,197,753	2,541,409	13.92%	16.66%
07-Electrical engineering	19,099,228	19,099,228	598,919	1,255,404	6.57%	16.66%
Total	41,101,954	41,101,954	2,221,947	4,552,829	11.08%	16.66%

The actual salary expenditure which includes social contributions represents 15.16% of the budgeted salary amount for the period under review. An amount of R4.5 million was paid for overtime which is less than the R6.8 million budgeted for the financial year.

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1.4 REMUNERATION ON COUNCILLORS

Description	Allocation (R)	Adjustment Budget (R)	August (R)	YTD Expenditure (R)	%YTD Expenditure	% YTD Target
Remunerations of Councilors	28,302,991	28,302,991	2,196,104	4,393,121	15.52%	16.66%
TOTAL	28,302,991	28,302,991	2,196,104	4,393,121	15.52%	16.66%

2 GRANTS AND SUBSIDIES RECEIVED

Description	Allocation (R)	Adjustment Budget (R)	August Receipt (R)	YTD Receipt (R)	%YTD Receipt
EQUITABLE SHARES	360,693,000	360,693,000	0	159,872,000	44.32%
FMG	2,145,000	2,145,000	2,145,000	2,145,000	100.00%
INEP	20,000,000	20,000,000	0	4,000,000	20.00%
MIG	94,263,000	94,263,000	0	31,236,000	33.14%
EPWP	5,749,000	5,749,000	1,438,000	1,438,000	25.01%
TOTAL	482,850,000	482,850,000	3,583,000	198,691,000	41.15%

An amount of R198.6 million which represents 41.15% of all grants budgeted for has been received during the financial year.

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3 PERFORMANCE ON CONDITIONAL GRANTS

Description	Budget (R)	Adjustment Budget (R)	August Spending (R)	YTD receipt (R)	YTD spent (R)	Total unspent/ overspent (R)	% Spent from receipt
EQUITABLE SHARES	360,693,000	360,693,000	0	159,872,000	159,872,000	0	100.00%
FMG	2,145,000	2,145,000	100,590	2,145,000	207,727	1,937,273	0.00%
INEP	20,000,000	20,000,000	156,215	4,000,000	156,215	3,843,785	3.91%
MIG	94,263,000	94,263,000	22,129,486	31,236,000	26,386,363	4,849,637	84.47%
EPWP	5,749,000	5,749,000	694,967	1,438,000	1,384,028	53,972	0.00%
TOTAL	482,850,000	482,850,000	23,081,258	198,691,000	188,006,333	10,684,667	94.62%

It is clear from the tables above that R188 million of the R198.6 million grant money received was spent, 94.62% of grant money received for the financial year was spent.

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4 REVENUE BILLED FROM SERVICES CHARGES

Description	Original Budget	Adjustment Budget	July Billing	YTD Billing	% YTD Billing	% YTD Target
Property Rates	140 000 000	140 000 000	9 438 848	18 811 301	13.44%	16.66%
Water	25 284 000	25 284 000	2 295 324	2 825 220	11.17%	16.66%
Sewer	7 800 100	7 800 100	538 814	882 803	11.32%	16.66%
Solid Waste	35 021 657	35 021 657	2 448 098	5 155 913	14.72%	16.66%
Electricity	577 501 000	577 501 000	52 183 791	98 648 096	17.08%	16.66%
Income foregone	-38 200 000	-38 200 000	3 329 696	6 626 895	-17.35%	16.66%
TOTALS	747 406 757	747 406 757	70 234 571	132 950 229	17.79%	16.66%

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5. REVENUE COLLECTED FROM SERVICES CHARGES

Description	Original Budget	Adjustment Budget	July Receipt	YTD Billing	YTD receipt	%YTD Receipt Per Billing	% YTD Receipt Per Budget
Property Rates	140 000 000	140 000 000	8 393 691	18 811 301	15 438 324	82.07%	11.03%
Water	25 284 000	25 284 000	1 362 509	2 825 220	2 946 544	104.29%	11.65%
Sewer	7 800 100	7 800 100	462 919	882 803	901 501	102.12%	11.56%
Solid Waste	35 021 657	35 021 657	2 516 292	5 155 913	5 778 149	112.07%	16.50%
Electricity	577 501 000	577 501 000	44 693 884	98 648 096	86 163 262	87.34%	14.92%
Income foregone	-38 200 000	-38 200 000	3 329 696	6 626 895	6 626 895	100.00%	-17.35%
TOTALS	747 406 757	747 406 757	60 758 991	132 950 229	117 854 675	88.65%	15.77%

6. BANK BALANCE

Name of institution	Cash in the Bank at 31 August 2019
ABSA	R65,814,108.24

Council had a positive Bank Balance of R 65,814,108.24 at the end of August 2019.

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7. BANK RECONCILIATION

	August-19
BALANCE ACCORDING TO BANK STATEMENT	R 7 762 462.93
BALANCE ACCORDING TO BANK STATEMENT	R 8 475 926.28
BALANCE ACCORDING TO BANK STATEMENT(SAVINGS)	R 443 290.95
BALANCE ACCORDING TO BANK STATEMENT(CALL ACC)	R 49 132 428.08
	<hr/>
	R 65 814 108.24
Less: OUTSTANDING CHEQUES	-R 7 624 440.06
	<hr/>
	R 58 189 668.18
Add: R/D CHEQUES	R 127 900.57
	<hr/>
	R 58 317 568.75
Less: OUTSTANDING DEPOSITS	-R 5 854 197.64
	<hr/>
	R 52 463 371.11
Add: CASH ON HAND	R 63 652.19
	<hr/>
	R 52 399 718.92
Add: PAYMENTS IN BANK NOT IN C/B	880.62
BALANCE ACCORDING TO CASHBOOK	<hr/> <hr/> R 52 400 599.54

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8. INVESTMENT AS AT 31 August 2019

8.1 LONG TERM INVESTMENTS

Name of institution	Balance as at 31 August 2019
Liberty life	R15 203 153.90
Standard Bank	R17 388 103.00

An Annual investment of R860 000.00 has been made with Liberty to repay a loan of R15 million on maturity date. The loan bears interest on variable rate and the value of the investment amounts to R15 096 341. An investment of R 11 350 000 has been made with Standard Bank to repay a loan of R30 million on maturity date. The loan bears interest at a rate of 12.09% and the value of the investment amounts to R 16 125 318.

8.2 SHORT TERM INVESTMENTS

Institution Name	Type of Account	Rate	Amount
Absa	Call Account	6.15%	R15 000 000.00
Nedbank	Call Account	6.00%	R10 000 000.00
Investec	Call Account	6.35%	R20 000 000.00
Total			R45 000 000.00

Council had R45 million on short term investments as at 31 August 2019

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9. DEBT MANAGEMENT

9.1 LONG TERM LOAN

Greater Tzaneen Municipality has 5 loans with 3 different institutions. Attached is a list of loans with balances and interests amounts paid.

COMPANY NAME	TYPE OF LOAN	DATE OF LOAN TAKEN	OPENING BALANCE	31-Jul		31-Aug		Closing Balance
				Capital	Interest	Capital	Interest	
DBSA	STOCK	1/10/2009	15'000'000	Nil	Nil	Nil	Nil	15'000'000
ABSA	ANNUITY	2/6/2011	16'848'523	Nil	Nil	Nil	Nil	16'848'523
DBSA	ANNUITY	1/11/2010	30'170'361	296,527	342,887	152'268	167' 384	30'018'094
STANDARD BANK		3/11/2015	30'000'000	Nil	Nil	Nil	Nil	30'000'000
DBSA	STOCK		40'000'000	Nil	Nil	Nil	Nil	40'000'000
DBSA (New)	ANNUITY	1/10/2018	20'000'000	Nil	Nil	Nil	Nil	20'000'000
TOTAL			152' 018'884	296,527	342,887	152' 268	167' 384	152' 866'616

Long term loan expenditure paid for August 2019 is R 152' 268

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10. CREDITORS AGE ANALYSIS

Trade creditors not paid within 30 days as at 31 August 2019:

N O	SUPPLIER NAME	DESCRIPTION/ NATURE OF SERVICE	CHQ /GRN NUMBER/ REF	30 DAYS	60 DAYS	90 DAYS	120 DAYS	150 DAYS	TOTAL	REASON FOR DEVIATION/COMMENT
1	VOLTEX TZANEEN	ELECTRICAL EQUIPMENT	151148	152	-	-	-	-	151,300	Tax Invoice received but not yet due for payment
2	MAGIC BUILDERS CENTRE (PTY) LTD	BUILDING MATERIAL	151106	1,400					152,506	Tax Invoice received but not yet due for payment
3	WATLTONS	STATIONARY	151146	1,929	-	-	-	-	153,075	Tax Invoice received but not yet due for payment
4	CARINE BORDUURDERS BK	EMBROIDERY/ CLOTHING	150992	19,043	-	-	-	-	170,035	Tax Invoice not signed off by user department, due to work not done to satisfaction
5	FORMS MEDIA INDEPENDENT (AFRICA)(PTY)	STATIONARY	151154/151115/151116	2,382	-	-	-	-	2,382	Tax Invoice received but not yet due for payment
6	BEKMAR IRRIGATION	ELECTRICAL EQUIPMENT	151151/151149/151150	3,034	-	-	-	-	3,034	Tax Invoice received but not yet due for payment

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7	DEDEYA TRADING ENTERPRISE	MAINTENANCE	151134/15 1139	21,665				21,665	Tax Invoice not signed off by user department, due to work not done to satisfaction
8	RM LIGHTING	ELECTRICAL EQUIPMENT	151083/15 1084	3,160				3,160	Tax Invoice received but no banking details,
9	RIVISI ELECTRICAL CONTRACTOR	ELECTRICAL MAINTENANCE	150456 - 150474		142,033			142,033	Tax Invoice not signed off by user department, due to work not done to satisfaction
10	KAMO JOU TRADING AND PROJECTS	MACHINE HIRE	150255- 57/150673 -75	0	957,284			957,284	Tax Invoice not signed off by user department, due to work not done to satisfaction
11	TOPHILL HOME PROJECTS AND CONSTRUCTION	UNIFORM SUPPLY	150710 / 150732	0	173,745			173,745	Tax Invoice not signed off by user department, due to work not done to satisfaction
			TOTAL	52,764	1,273,062	0	0	0	1,325,826

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Sundry creditors not paid within 30 days as at 31 August 2019:

NO	SUPPLIER NAME	DESCRIPTION/ NATURE OF SERVICE	CHQ /GRN NUMBER/REF	30 DAYS	60 DAYS	90 DAYS	120 DAYS	150 DAYS	TOTAL	REASON FOR DEVIATION/COMMENT
1	ESKOM	BULK PURCHASES	9725598889	61,041,867	58,317,024	-	-	-	119,358,891	Current Tax Invoice received not yet due (payable 02 Oct 2019) – Payment Arrangement made to address arrears due to Cash flow challenges
			TOTAL	61,041,867	58,317,024	0	0	0	119,358,891	

The total outstanding creditors as per the creditors' age analysis amounted to R 119 358 891.02 at the end of August 2019

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11. REVENUE MANAGEMENT

11.1 RATES AND SERVICE CHARGES OUTSTANDING - AGE ANALYSIS

RATES AND SERVICE CHARGES OUTSTANDING - AGE ANALYSIS								
Age Analysis	Rates	Electricity	Refuse	Sewerage	Water	Total - Rates & Serv.	Total Sundry	Total
Current	9 681 959	61 794 406	3 302 211	737 708	3 460 067	78 976 351	-1 794 676	77 181 676
30 days	5 053 842	15 122 383	1 756 973	434 730	2 137 387	24 505 314	422 830	24 928 144
60 days	4 385 889	5 664 960	1 463 272	310 373	1 072 151	12 896 645	344 020	13 240 665
90 days	3 927 596	3 296 988	1 422 664	277 775	777 456	9 702 480	154 299	9 856 778
120 days	3 806 473	8 001 744	1 311 636	354 479	1 724 051	15 198 384	206 533	15 404 917
120 days plus	168 367 837	131 534 677	73 570 453	20 153 650	85 309 195	478 935 813	35 666 373	514 602 185
Balance	195 223 596	225 415 158	82 827 210	22 268 715	94 480 308	620 214 987	34 999 378	655 214 365

The outstanding rates and service charges increased by 2.66% from R638 million in July to R655 million in August 2019. These amounts include sundry debtors of R34 million.

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11.2 AGE ANALYSIS PER DEBTOR CLASSIFICATIONS

Classification	Current R	0 - 30 Days R	31 - 60 Days R	61 - 90 Days R	91 - 120 Days R	Total R
Government	1 384 252	1 030 301	445 407	464 446	12 958 365	16 282 771
Business	62 965 125	8 438 517	3 917 533	2 491 668	123 531 114	201 343 956
Individuals	1 819 090	9 649 959	5 761 634	4 260 824	235 653 880	257 145 387
Other	6 815 433	3 237 251	1 733 567	1 584 609	50 320 369	63 691 229
BALANCE	72 983 900	22 356 028	11 858 141	8 801 547	422 463 727	538 463 342

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11.3 PAYMENT RATES PER TOWN

PAYMENT RATES PER TOWN - RATES AND SERVICE CHARGE DEBTORS			
Towns	Current Account	Payment Received	Payment Rate (%)
Tzaneen - Urban	32 502 326	-25 161 169	77%
Tzaneen - Rural	37 036 497	-28 531 436	77%
Nkowankowa	4 409 085	-1 091 527	25%
Lenyenye	1 023 303	-316 951	31%
Politsi	25 884	-22 550	87%
Letsitele	3 578 324	-3 276 414	92%
Haenertsburg	400 933	-382 850	95%
Aggregate	78 976 351	-58 782 897	74%

11.4 INDIGENT REGISTRATION AND ACCESS TO BASIC ELECTRICITY

The number of indigents registered and verified, amounts to 25 693 for the month ended 31 August 2019.

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11.5 REVENUE PER SOURCE BILLING VERSUS CASH RECEIVED

REVENUE PER SOURCE	BILLING	CASH RECEIVED	VARIANCES
Property Rate + Interest	10 426 571.03	-8 393 691.23	2 032 879.80
Electricity	52 183 791.00	-44 693 884.33	7 489 906.67
Water	2 295 323.67	-1 362 508.97	932 814.70
Sewerage	538 813.69	-462 918.78	75 894.91
Refuse Removal	2 448 098.37	-2 516 291.76	(68 193.39)
Stand Sale	-	-1 500.00	(1 500.00)
Sundry Charges	972 167.91	-1 352 102.29	(379 934.38)
Interest charge on services debts	2 124 195.49		2 124 195.49
TOTAL	70 988 961.16	(58 782 897.36)	12 206 063.80

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12. CAPITAL PROJECTS

Capital Project	Original Budget	August	Actual July to June	% Spent
Purchase of Fleet: 1xTLB, 1xexcavator, 2xWaste Trucks, 1xLow Bed	7,500,000			0
Purchase of Grass cutting Machines	800,000			0
Purchase of mobile Air Quality monitoring station and calibrate annually	85,000			0
Mopye High School Access Road: Phase 1 of 2 and 2 of 2	14,365,700	485,266	1,397,793	9.73
Paving of Nelson Ramodike High Access Road phase 1 of 2	4,402,376			0
Upgrading of gravel to tar- Nkowankowa A, Codesa & Hani Street Phase	3,000,000			0
Mulati Access RoadPaving 1 of 3 and 2 of 3 and 3 of 3	19,134,345	12,880,458	12,880,458	67.32
Upgrading of Access Road- Mbambamencisi Phase 1	2,968,065		1,218,118	41.04
Upgrading of Khujwana to Lenyenye Access Road Phase 1 of 3	19,554,712	7,055,718	8,372,675	42.82
Paving of moseanoka to Cell C Pharare internal streets in ward 28	2,000,000			0
Relela Access Road 1 of 4 Upgrading from gravel to paving	4,402,376	1,160,228	1,160,228	26.35
Matapa to Leseka Access Road Phase 1 of 2 and 2 of 2	4,402,376			0
Mawa B12 Low Level Bridge	2,000,000			0
Purchasing of tar cutting machines and small compactors	200,000			0
New generator for georges valley	300,000			0
Area Lighting at R36 Kujwana turn off	300,000			0
Upgrading of old fire station building and civic centre	2,500,000			0
Fencing of cemetery Lesedi Regional Cemetry (Lenyenye)	350,000			0
Ablution block with change room at Lesedi Regional Cemetery	150,000			0

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Fence Nkowankowa cemetery extension	350,000			0
Construct ablution with change room at Nkowankowa cemetery	150,000			0
Additions to existing Tzaneen stores including fencing	750,000			0
New Lenyenye Taxi Rank Phase 1 of 2 and 2 of 2	8,119,900	547,816	547,816	6.75
Paving of Risaba, Mnisi, shando, to Driving school internal streets	2,000,000			0
Paving of main road from Ndhuna mandlakazi, Efrika, Zangoma, Mpenyisi to Jamba Cross internal streets(in ward 13, Mandlakazi)	2,000,000			0
Rehabilitation of Haenertsburg Cementry road	1,500,000			0
Miniature Sub- Urban Distribution Networks	800,000			0
Substation Tripping Batteries	100,000			0
Provision of Electrical Tools-Customer Retail	50,000			0
Provision of Electrical Tools-Operation and Maintenance	50,000			0
Replacement of Existing Air Conditioners in Municipal Buildings	150,000			0
Purchase of the Mayoral Car	1,200,000			0
Purchase of the Speaker's Car	700,000			0
New generator for Head office	400,000			0
Installation Entrance Street Lights R71	500,000			0
R71 Deerpark Traffic Circle Lights SANRAL	1,600,000			0
High Mast Lights at Dan Village	1,200,000			0
New Electricity Connection -Consumer Contribution	7,500,000	318,272	1,063,604	14.18
New Electricity Connection -Consumer Contribution	7,500,000	686,150	750,331	10
Renewal Repairs & Maintenance on Prepaid Meters- (Talana Politsi, Mieliekloof and Tarentaalrand)	300,000	-	332,888	110.96

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Rebuilding of Lines- Green frog-Haenertsburg in phases	1,050,000			0
Rebuilding of Lines-Gravelotte- De Neck	1,000,000			0
Rebuilding of Lines 33 KV-Lalapanzi/Waterbok	600,000		69,722	11.62
Rebuilding of Mashuti 11KV Line (2 km)	400,000			0
Rebuilding of Yamorna & Shivulari 11KV Line (4 km)	600,000			0
Rebuilding of Deeside 11KV Line (2,5 km)	600,000		183,551	30.59
Rebuilding of Ledzee 11KV Line from LZ44 to Vandergruy Farm(2,5 km)	1,400,000			0
Rebuilding of Lines- Letsitele Valley Substation- Bosbou & all T offs	500,000			0
Rebuilding of Rooikoppies 11KV lines (5 km)	500,000		711,462	142.29
Rebuilding of Mieliekloof & Deerpark 11KV lines (2,5 km)	500,000			0
Rebuilding of Letaba Feeder 33KV lines (2,5 km)	1,000,000			0
Substation Fencing at major substations in phases	500,000			0
Replace 2 x 15 MVA 66/11 Kv Transformers with 2 x 20 MVA at Tzaneen Mainsub Phase 1 and 2	5,000,000			0
Replace 11KV & 33KV Auto Reclosers p.a (x5) (Item B53 6/14)	1,000,000			0
Refurbishment of Ebenezer 33KV Feeder (2,5 km)	1,000,000			0
Rebuilding of Valencia 11KV Lines	500,000			0
Purchase of Geographical Information Systems Equipments	1,000,000			0
Rebuilding of Lines Thabina Valley		578,789	578,789	0
Rebuilding of Lines Blacknoll		38,320	38,320	0
Total	142,484,850	24,246, 351	29,801, 091	20.92%

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MUNICIPAL INFRASTRUCTURE GRANT

The below spending on MIG grant figure, includes work in progress to date.

Moruji to Maswi Tar Road	The road is surfaced and open to chainage 12,05km. The Contractor is busy with construction of drains. (No expenditure for August and Accumulated expenditure is R116 248 425.28)
Upgrading of Lenyenye Taxi Rank	The project is on adjudication stage (Expenditure for August is R 629 988.70 and Accumulated expenditure R2 363 492.75)
Upgrading of Mulati Access Road	The Contractor has construction of the RAL intersection, pre-shaping of the base for up to chainage 5.8kms. (Expenditure for August is R14 265 903.06 and Accumulated expenditure is R23 457 342.70)
Upgrading of Lenyenye to Khujwana Access Road	The Contractor has primed from chainage 0-1, 7kms, sub base up to chainage 4,4kms and has commenced with construction of the drains. (no expenditure for August and Accumulated expenditure is R16 235 970.77)
Upgrading of Mbambamencisi Access Road	The Contractor has Completed 100% of the laying of interlocking bricks and is now busy with placing of the kerbs. (No expenditure for August and Accumulated expenditure is R5 979 641.97)
Construction of Mawa Block 12 Low level bridge	A Contractor has been appointed. Site Handover is scheduled for the 12/08/2019 (No expenditure for August and accumulated expenditure is R623 318.07)
Upgrading of Relela Access Road	The Contractor has established the site and is now busy with clearing of the bypass (Expenditure for August is R1 334 262.23 and accumulated expenditure is R3 291 262.24)
Mmatapa to Leseke Access Road	The Contractor has established the site and is now busy with clearing of the bypass, excavation and construction on the roadbed. (No expenditure for August and accumulated is R3 162 875.22)
Upgrading of CODESA to Hani Street Paving	The Contractor has completed the construction of the base and kerbs. They are busy the construction of V-drains. (No expenditure for August and Accumulated expenditure is R8 488 772.96)
Mopye High School Access Road	The Contractor has completed the Construction of the roadbed and is busy with construction of the base. (Expenditure for August is R349 007.75and Accumulated expenditure is R4 748 627.84)
Nelson Ramodike High School Access Road	The Contractor has established the site and is now busy with clearing of the bypass (No expenditure for August and accumulated expenditure is R3 213 290.71)

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13. EXPENDITURE PER VOTE

Row Labels	Budget	August	July to August	% Spent
02-Expense	1 327 039 599	60 051 450	107 523 709	8.10%
01-Municipal manager	75 195 251	5 963 211	13 707 503	18.23%
051EMPLOYEE RELATED COSTS - WAGES & SALARIES	17 526 612	1 349 910	2 698 585	15.40%
053EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS	6 797 693	403 746	794 964	11.69%
058REMUNERATIONS OF COUNCILLORS	28 302 991	2 196 104	4 393 121	15.52%
064DEPRECIATION	162 351	0	0	0.00%
066REPAIRS AND MAINTENANCE	2 006	0	0	0.00%
074CONTRACTED SERVICES	400 000	0	0	0.00%
077GRANTS & SUBSIDIES PAID-UNCONDITIONAL	2 450 000	103 100	258 562	10.55%
078GENERAL EXPENSES - OTHER	19 553 598	1 910 351	5 562 271	28.45%
02-Planning & economic development	31 408 863	3 225 593	5 613 077	17.87%
051EMPLOYEE RELATED COSTS - WAGES & SALARIES	15 016 418	1 192 952	2 808 628	18.70%
053EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS	2 430 938	186 886	377 975	15.55%
064DEPRECIATION	311 650	0	0	0.00%
066REPAIRS AND MAINTENANCE	35 321	0	0	0.00%
068INTEREST EXPENSE - EXTERNAL BORROWINGS	420 248	0	0	0.00%
074CONTRACTED SERVICES	1 389 150	18 703	35 084	2.53%
078GENERAL EXPENSES - OTHER	11 805 138	1 827 053	2 391 389	20.26%
03-Financial services	111 690 531	5 601 148	9 873 550	8.84%
051EMPLOYEE RELATED COSTS - WAGES & SALARIES	35 721 383	2 642 714	5 642 989	15.80%
053EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS	7 817 390	518 558	1 042 943	13.34%
060BAD DEBTS	17 900 000	0	0	0.00%
062COLLECTION COSTS	1 200 000	0	0	0.00%
063INVENTORY SURPLUS/LOSS	0	0	0	0.00%

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064DEPRECIATION	700 010	0	0	0.00%
066REPAIRS AND MAINTENANCE	76 165	2 112	3 851	5.06%
074CONTRACTED SERVICES	9 608 383	384 677	384 677	4.00%
076GRANTS & SUBSIDIES PAID	2 145 000	100 590	207 727	9.68%
077GRANTS & SUBSIDIES PAID-UNCONDITIONAL	4 000 000	533 367	533 367	13.33%
078GENERAL EXPENSES - OTHER	32 522 200	1 419 129	2 057 996	6.33%
04-Corporate service	63 300 011	5 233 228	9 344 728	14.76%
051EMPLOYEE RELATED COSTS - WAGES & SALARIES	30 303 166	2 414 489	4 908 533	16.20%
053EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS	7 484 435	477 802	957 893	12.80%
064DEPRECIATION	1 715 059	0	0	0.00%
066REPAIRS AND MAINTENANCE	358 950	77 767	87 495	24.38%
068INTEREST EXPENSE - EXTERNAL BORROWINGS	39 929	3 348	10 205	25.56%
074CONTRACTED SERVICES	3 900 000	107 601	169 049	4.33%
078GENERAL EXPENSES - OTHER	19 498 472	2 152 221	3 211 553	16.47%
05-Engineering services	194 367 232	6 243 836	11 287 231	5.81%
051EMPLOYEE RELATED COSTS - WAGES & SALARIES	35 968 516	2 751 924	5 561 467	15.46%
053EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS	8 341 430	507 000	1 014 135	12.16%
064DEPRECIATION	79 558 205	0	0	0.00%
066REPAIRS AND MAINTENANCE	48 383 347	2 098 453	2 475 990	5.12%
068INTEREST EXPENSE - EXTERNAL BORROWINGS	2 796 472	0	0	0.00%
074CONTRACTED SERVICES	2 226 642	67 313	134 210	6.03%
078GENERAL EXPENSES - OTHER	17 092 620	819 146	2 101 430	12.29%
06-Community services	259 801 370	19 748 075	35 538 655	13.68%
051EMPLOYEE RELATED COSTS - WAGES & SALARIES	99 922 871	7 856 580	16 667 166	16.68%
053EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS	21 051 120	1 528 632	3 060 599	14.54%
060BAD DEBTS	41 800 000	0	0	0.00%
064DEPRECIATION	5 526 841	0	0	0.00%

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066REPAIRS AND MAINTENANCE	684 653	6 938	36 420	5.32%
074CONTRACTED SERVICES	55 962 588	3 738 986	7 144 482	12.77%
076GRANTS & SUBSIDIES PAID	5 749 000	694 967	1 384 028	24.07%
077GRANTS & SUBSIDIES PAID-UNCONDITIONAL	456 000	26 000	26 000	5.70%
078GENERAL EXPENSES - OTHER	28 648 297	5 895 971	7 219 960	25.20%
07-Electrical engineering	591 276 341	14 036 359	22 158 966	3.75%
051EMPLOYEE RELATED COSTS - WAGES & SALARIES	58 552 235	3 549 953	7 273 538	12.42%
053EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS	10 781 138	713 819	1 433 413	13.30%
060BAD DEBTS	12 900 000	0	0	0.00%
064DEPRECIATION	46 139 397	0	0	0.00%
066REPAIRS AND MAINTENANCE	21 985 823	304 214	2 966 199	13.49%
068INTEREST EXPENSE - EXTERNAL BORROWINGS	11 401 665	164 036	500 065	4.39%
072BULK PURCHASES	403 000 000	8 725 127	8 725 127	2.17%
074CONTRACTED SERVICES	200 119	0	1 295	0.65%
076GRANTS & SUBSIDIES PAID	20 000 000	156 215	156 215	0.78%
077GRANTS & SUBSIDIES PAID-UNCONDITIONAL	1 221 812	0	0	0.00%
078GENERAL EXPENSES - OTHER	5 094 152	422 995	1 103 115	21.65%
Grand Total	1 327 039 599	60 051 450	107 523 709	8.10%

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Reason for variance

Municipal Manager

General expense: The legal division overspend on legal fees, the vote has an allocation of R12.5 million and spend R4.2 million which is 34% of the budget

Planning and Economic Development

General expense: LED overspend due to GTEDA 1st tranche payment

Corporate Services

Repairs and Maintenance: Due to payment to service provider (Least Cost Communication) for VoIP phone call

Communication Services

General expenses: Overspending due to once off payment to SALGA for membership fees

Electricity Services

General expenses: The division overspending due to payments of electricity to ESKOM

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14. EXPENDITURE PER ITEM

Row Labels	Budget	August	July to August	% Spent
02-Expense	1 327 039 599	60 051 450	107 523 709	8.10%
051EMPLOYEE RELATED COSTS - WAGES & SALARIES	293 011 201	21 758 522	45 560 905	15.55%
053EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS	64 704 144	4 336 443	8 681 920	13.42%
058REMUNERATIONS OF COUNCILLORS	28 302 991	2 196 104	4 393 121	15.52%
060BAD DEBTS	72 600 000	0	0	0.00%
062COLLECTION COSTS	1 200 000	0	0	0.00%
063INVENTORY SURPLUS/LOSS	0	0	0	0.00%
064DEPRECIATION	134 113 513	0	0	0.00%
066REPAIRS AND MAINTENANCE	71 526 265	2 489 484	5 569 954	7.79%
068INTEREST EXPENSE - EXTERNAL BORROWINGS	14 658 314	167 384	510 270	3.48%
072BULK PURCHASES	403 000 000	8 725 127	8 725 127	2.17%
074CONTRACTED SERVICES	73 686 882	4 317 281	7 868 797	10.68%
076GRANTS & SUBSIDIES PAID	27 894 000	951 772	1 747 970	6.27%
077GRANTS & SUBSIDIES PAID-UNCONDITIONAL	8 127 812	662 467	817 930	10.06%
078GENERAL EXPENSES - OTHER	134 214 477	14 446 865	23 647 714	17.62%
Grand Total	1 327 039 599	60 051 450	107 523 709	8.10%

The actual operational expenditure represents 8.10% of the budgeted operational expenditure which is less than the 16.66% budget target.

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15. Supply Chain Management

Performance Statistics

1. Requisitions processed to orders in AUGUST 2019 (Acquisition Management)		
Description	2019	Year to Date
Requisitions received from demand Management	264	457
Total number of orders processed for the AUGUST 2019	264	457
Total number of deviation orders processed for AUGUST 2019	12	12
Total number of orders above R30 000 for AUGUST 2019	24	24
Difference between requisitions received and orders processed	0	0
Number of canceled orders AUGUST 2019	0	0

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2. Approved deviations for AUGUST 2019

Order No	Business Name	Description	Amount	Reason for Deviation
D5021TZA	AFROCENTRICE PROJECTS	PLATESPIN FORGE	R 79 842.10	EMERGENCY
D4777TZA	BB UD TZANEEN	HOOK ASSY	R 5 120.14	EMERGENCY
D5038TZA	BB UD TZANEEN	BAR	R 4 918.43	EMERGENCY
D4984TZA	BB UD TZANEEN	OIL FILTER	R 2 069.14	EMERGENCY
D4876TZA	BB MOTORS	SEAT ASSY-FR	R 5 021.65	EMERGENCY
D4866TZA	BELL EQUIPMENT	SERVICE	R 40 650.27	EMERGENCY
D4799TZA	LETABA HERALD	ADVERT	R 7 820.00	NEWSPAPER
D4951TZA	LETABA HERALD	ADVERT	R 6 704.00	NEWSPAPER
D4854TZA	LETABA HERALD	ADVERT	R 14 605.00	NEWSPAPER
D5017TZA	LETABA HERALD	ADVERT	R 10 115.40	NEWSPAPER
D4857TZA	PAY DAY SOFTWARE	MSCOA ALIGNMENT	R 36 938.00	EMERGENCY
D4764TZA	SONCO VOERTUIE	CALL OUT	R 2 492.28	EMERGENCY

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3. Orders per supplier above R30 000 for the AUGUST 2019		
Company Name	Orders in August 2019	Expenditure in AUGUST 2019
AFROCENTRICE PROJECTS	D5021TZA	R 79 842.10
BUKUTA	D5002TZA	R 162 097.10
BUKUTA	D4926TZA	R 161 718.75
BELL EQUIPMENT	D4866TZA	R 40 650.27
ETROSTAX	D4925TZA	R 59 662.00
HULELASI CONSTRUCTION	D4943TZA	R 110 601.48
KAMO JOU TRADING	D4841TZA	R 94 611.65
KAMO JOU TRADING	D5033TZA	R 140 954.00
LADINE ENGINEERING	D4775TZA	R 124 216.97
MATHOTHOKHA TRADING	D4941MDC	R 110 601.48
MALOKA MACHABA	D5009TZA	R 62 100.00
PAY DAY SOFTWARE	D4857TZA	R 36 938.00
SELBY CONSTRUCTION	D4793TZA	R 117 185.00
SELBY CONSTRUCTION	D4792TZA	R 171 637.50
SELBY CONSTRUCTION	D4871TZA	R 53 868.42
SELBY CONSTRUCTION	D4940MDC	R 110 601.48
SELBY CONSTRUCTION	D5020TZA	R 162 097.10
SELEMA TRADING	D4842TZA	R 134 762.75

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SELEMA TRADING	D5001TZA	R	162 097.10
SELEMA TRADING	D4944MDC	R	169 918.25
TNE ADVISORY SERVICES	D4923TZA	R	172 500.00
BUKUTA	D4939MDC	R	221 191.46
BUKUTA	D4945MDC	R	246 813.00
MOEPENG TRADING 40	D4835TZA	R	702 752.35
WANGA POWER PROJECTS	D4872MDC	R	274 985.83

4. Bids closed in AUGUST 2019

Bid No.	Description	User Dept.	Briefing session	Closing date	Status
SCMU 08/2019	Pool of four Service providers for personal protective clothing	Mr T. Mushiana	27 June	02 August 2019	Evaluation stage
SCMUQ 04/219	Review of 2019/2019 Annual Statement	Mr A.N Mathebula	N/A	08 August 2019	Evaluation stage
SCMU 05/2019	Panel of professional Service providers for financial internal and Audit and government for the period of 3 years	Ms. M.P Makhubela	01 August 2019	16 August 2019	Evaluation stage
SCMUQ 06/2019	Hire of 70 Seater Luxury Bus to Zambia for 10 days	Mr D.B Phakula	14 August 2019	20 August 2019	Awarded

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SCMUQ 05/2019	Hire of 14 Mini Bus to Zambia for 10 days	Mr D.B Phakula	14 August 2019	20 August 2019	Awarded
SCMU 16/2018	Construction Of Lenyenye Taxi rank	Mr M.J Matlala	Mr M.J matlala	23 August 2019	Awarded

5. Bids under Adjudication in AUGUST 2019

Bid No.	Description	User Dept.	Closing date	BAC Date	Status / Outcome of BAC
SCMU 06/2019	Printing and posting of consumer and sundry debtors statements for the period of 3 years	Ms. R Viljoen	24-May-19	7-Aug-19	Waiting for appointment

6. Bids approved/awarded by Municipal Manager in AUGUST 2019

Bid No.	Description	Company Name	Closing date	Date of Award	Contract period	Contract amount
None						

7. Bids approved/awarded by Chief Financial Officer in AUGUST 2019

Bid No.	Description	Company Name	Closing date	Date of Award	Contract period	Contract amount
None						

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8. Contracts reported to CIDB I-Tender for completion in AUGUST 2019 (reporting awards)					
Contract number	Name of the contract/bid	Company Name	Date of completion	Report Date	Contract amount
None					

9. Awards contracts/bids reported to I-Tender in AUGUST 2019 (reporting awards)					
Contract number	Contract Name	Company Name	Date of Award	Report Date	Contract amount
None					

10. Awards contracts/bids reported to Official Website of the Municipality in AUGUST 2019 (reporting awards)					
Contract number	Contract Name	Company Name	Date of Award	Report Date	Contract amount
None					

14. Awards contracts/bids reported to National Treasury in AUGUST 2019 (reporting awards)					
Contract number	Name of the contract/bid	Company Name	Date of Award	Report Date	Contract amount
None					

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Major achievements for AUGUST 2019

Summary of SCM process (Descriptions)	Aug-19
Number of new accredited suppliers registered with municipal's database	0
Number of orders processed	264
Number of approved deviations from SCM procedures	12
Number of orders above R30,000.00 processed	24
Number of bids approved (considered) by BSC	5
Number of bids approved by MM for advertisement from BSC	6
Number of new bids advertised	8
Number of bids closed	6
Number of bids evaluated by BEC (recommended further for consideration)	0
Number of bids adjudicated by BAC (recommended further for consideration by MM)	0
Number of Bids/contracts approved and appointed by CFO	0
Number of Bids/contracts approved and appointed by MM	0
Number of Contract report to Treasury	0
Number of Contract report to Official Website	0

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Key challenges – coming AUGUST 2019	
SUPPLY CHAIN MANAGEMENT CHALLENGES	RECOMMENDATIONS:
<ul style="list-style-type: none"> Slow network/internet application affecting CSD verification accessing CSD report 	<ul style="list-style-type: none"> IT should consider procuring fast internet application / license e.g. wi-fi or wireless network
<ul style="list-style-type: none"> SCM does not have safe storage system to file non-appointed bids 	<ul style="list-style-type: none"> Council should consider budgeting/acquiring a bulk storage system for budget & treasury department/SCM
<ul style="list-style-type: none"> SCM do not have safe archive system (electronic or Manual) 	<ul style="list-style-type: none"> IT division should consider developing E-filing for Budget & Treasury / SCM as a back-up system for AG
<ul style="list-style-type: none"> Office space 	<ul style="list-style-type: none"> SCM have five permanent employees utilising three congested offices with files & documents
<ul style="list-style-type: none"> Cheque requisition compromise SCM reporting (SCM compliance) of deviation & payment process 	<ul style="list-style-type: none"> All cheque requisition should be approve/process by SCM and cheque order be generated (financial system be updated by service provider to allow once-off service providers for cheque orders and cheque order book be developed. All department are requested to use deviation book available from SCM offices
<ul style="list-style-type: none"> Department did not report any completion of project to SCM 	<ul style="list-style-type: none"> Department(s) should starts submitting the bidder's performance report to SCM. The report should cover all payment, current status of bid/progress reports and estimated time to complete a project(s)

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<ul style="list-style-type: none"> • Payment certificate and proof of payment are not submitted to SCMU for project monitoring & reporting 	<ul style="list-style-type: none"> • Payment certificate (copy of approved certificate) should be submitted to SCM
<ul style="list-style-type: none"> • Project completion certificate not submitted to SCM by user department 	<ul style="list-style-type: none"> • Completion certificate drafted by PMU should be submitted to SCM / Assets for projects reporting/ monitored)
<ul style="list-style-type: none"> • Procurement plan implemented but most user department/divisions did not submit Spec 	<ul style="list-style-type: none"> • All department must submit spec/request as indicated on procurement plan to comply
<ul style="list-style-type: none"> • SLA not sign by both Accounting office and appointed services provider before commencement date 	<ul style="list-style-type: none"> • All department should consider having department contract management system / key personnel to update departmental contracts and procurement plan quarterly
<ul style="list-style-type: none"> • Contract management by departments/legal division are not update 	<ul style="list-style-type: none"> • SLA and bid document should be sign by both parties before the project commencement date
<ul style="list-style-type: none"> • Finance system supplied by Fujitsi does not allow SCM to use tender/ quotation number as order number to assist on prevent overspending/ irregular expenditure 	<ul style="list-style-type: none"> • New system on progress for implementation.
<ul style="list-style-type: none"> • On SLA Commencement date of all bids awarded in 2018 is the handover of the project, but the department does not inform supply chain on the handover date. 	<ul style="list-style-type: none"> • All departments must inform supply chain about the handover date so that they can report commencement date of the project monthly.

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11. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure				
Name of Suppliers	Department	Date	Payment No	Amount
Forest Fig Properties-NYDA Office Rental	Corporate Services	Jul-19	1082316	R242.78
Forest Fig Properties-NYDA Office Rental	Corporate Services	Jul-19	1082457	R318.33
Compensation Commission	Finance	Aug-19	1082804	R70,751.90
Forest Fig Properties-NYDA Office Rental	Corporate Services	Aug-19	1082855	R1,701.69

The Fruitless and wasteful expenditure incurred during the month of August 2019 amounts to R 72,453.59.

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12. IRREGULAR EXPENDITURE

Irregular Expenditure to Date		
Department	Year	YTD Expenditure
MM	2019/2020	
Council	2019/2020	
Corporate Services	2019/2020	
Community Services	2019/2020	1,185,756.48
Finance	2019/2020	72,084.91
PED	2019/2020	
Electrical Services	2019/2020	
Engineering Services	2019/2020	
TOTAL	2019/2020	1,257,841.39

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13. ASSET MANAGEMENT

1. PURPOSE:

The Asset Management Division of the Municipality is required to submit the following information to the Accounting Authority on a quarterly basis, in respect of each material Asset Management transactions, as well as on the overall implementation of the Asset Management Policy in the entity as a whole. In addition the GTM must report to the Finance Committee in respect of the following as it relates to Asset Management:

- A. Monthly Analysis Reports,
- B. Achievements,

2. REPORTING REQUIREMENTS:

A. QUATERLY PERFORMANCE ANALYSIS REPORTS:

ASSET PROCUREMENT ANALYSIS REPORT:

This section of the report relates to the asset spend analysis (quantum and rand value) during the past quarter for all asset transactions.

THRESHOLD– ASSET PURCHASES	QUANTITY	VALUE
Transactions Exceeding R 1 000	1	R51 625.77
Transactions Not Exceeding R 1 000		-
TOTAL ASSET TRANSACTION VALUE (Including VAT)		R51 625.77

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The various threshold values in the table above, determines the nature of the asset as well as the appropriate accounting treatment as follows:

a. TRANSACTIONS NOT EXCEEDING R 1 000:

- Accounting Treatment - Fixed Asset Not Capitalised
 - Asset recorded in the Fixed Asset (Inventory) Lists.
 - Asset recorded in the Fixed Asset Register - Minor Asset.

b. TRANSACTIONS EXCEEDING R 1 000:

- Accounting Treatment - Fixed Asset is Capitalised
 - Asset recorded in the Fixed Asset (Inventory) Lists.
 - Asset recorded in the Fixed Asset Register - Major Asset.

ASSET DISPOSAL ANALYSIS REPORT:

This section of the report relates to the asset disposals (quantum and rand value) that occurred during the past quarter for all disposal transactions by means of a transfer, donation, and tender or competitive sale process.

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THRESHOLD- ASSET PURCHASES	QUANTITY	VALUE
Asset Disposals through Transfers	-	R nil
Asset Disposals through Donations	-	R nil
Asset Disposals through Tender or Sale Process		R nil
TOTAL TRANSACTION VALUE (Including VAT)	-	R nil

INTANGIBLE ASSETS	QTY	VALUE
Transfers in		-
TOTAL		-

PROPERTIES

THRESHOLD- ASSET PURCHASES	QTY	VALUE	EXTENSION/ERF
Properties Transfers in	0	R 0.00	
Properties Transfers out	0	R 0.00	
		R 0.00	

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JOURNALS

Date	Account Name	Account	Debit	Credit
1 2019/08/31	Work In Progress Pavements, Bridges & Storm water	363/410/4005	23,357,947.98	
		195/600/5202		22,129,486.01
	Electricity Reticulation	173/600/5005		631215.58
	Electricity Reticulation	183/600/5005		134596.57
	Electricity Reticulation	183/600/5105		462,649.82
	<i>Capitalisation of WIP for the month</i>			
2 2019/08/31	Plant and Machinery	408/400/4005	20,854.47	
	Office Equipment	410/400/4005	31,640.87	
	Electricity Reticulation	183/600/5105		20,854.47
	Public Relations	003/078/1353		31,640,87
	<i>Recognition of current year additions- Other Assets</i>			

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A. ACHIEVEMENTS:

The GTM Asset Register was updated and maintained during the Month as assets are received.

The process of tagging and recording of assets was also done.

Movement of assets was done.

Preparation of AFS is in place

B. CHALLENGES:

The Asset Management faces the following challenges:

1. Shortage of staff
2. Issuing of electrical infrastructure without the completing the forms for identifications and locations

14. AUDIT FINDINGS

The Municipality got qualified audit opinion from Auditor General during the 2017/2018 financial year. An audit action plan has been developed and maintained on a monthly basis to address findings raised by Auditor General.

15. FUEL EXPENDITURE

The total fuel expenditure for the month of August 2019 amounted to R671 395.94 (debit payment R667 281.26 and issues R4 114.68)

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16. MSCOA PROGRESS

Status of MSCOA SebataEMS Implementation:

Solution Functionality Readiness:

- **Status**

- Adjustment Budget and 2019/20 Budget captured and submitted to NT
- 19/20 Draft IDP and Budget tabled in MSCOA 6.3
- KPI's Linking to IDP in progress
- Configuration set up in Test Site
- Business process alignment: mSCOA SebataEMS business processes were aligned to Greater Tzaneen processes ready to be used at 1 July 2019.
- Water and Sewerage management – Solution Documented
- Costing Solution – Demonstrated, and well accepted, Fleet Management Solution to be build, manual work around to be find
- Assets solution to be demonstrated, defect on depreciation calculation to be fixed

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- Summary View

		Config Test	Process Demo	Users Mapped	Users Trained	Status
Budget	Adjustment Budget	Y	Y	Y	Y	On Track
Budget	Budget 2019/20	Y	Y	Y	Y	On Track
Inventory	Inventory	Y	Y	Y		On Track
SCM	Vendor Management	Y	Y	Y		On Track
SCM	Requisition	Y	Y	No		Behind
SCM	Quotation	Y	Y	Y		On Track
SCM	Contracts	Y	Y	Y		On Track
SCM	Purchase Order	Y	Y	Y		On Track
SCM	Goods Receipt Note	Y	Y	Y		On Track
AP	Invoice	Y	Y	Y		On Track
AP	Payment Run	Y	Y	Y		On Track
FIN	Cash Book	Y	Y	Y		On Track

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FIN	Loans	Y	Y	Y		On Track
FIN	Investment	Y	Y	Y		On Track
INV	Inventory	Y	Y	Y		On Track
Assets	Assets	Y	No	No		Behind
Costing	Costing	Y	Y	Y		On Track
HR	Payroll	N/a	N/a	N/a	N/a	N/a
Billing	Billing	Y	Y	Y		On Track

Data Conversion Status

- **Status**
 - All data sets and load programs tested
- **Next Steps**
 - Extract All data files, do final test on load files and conduct reconciliations
 - Load All Billing data, conduct billing run and compare results to ensure all billing settings are correct

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- **Summary View**

		Load Tested	Program	Data Tested	Data Reconciled
GL	GL Opening Balances	Y	Y	Y	Y
Inventory	Inventory Opening Balances	Y	Y	Y	Y
SCM	Open Invoices	Y	No	No	No
Assets	Opening Balances	Y	Y	No	No
HR	Employees and Org Structure	Y	Y	Y	Y
Finance	Loans Captured	Y	Y	No	No
Finance	Investments Captured	Y	Y	No	No
Finance	Cash Book Captured	Y	y	No	No
Billing	Billing /Revenue	Y	y	No	No

Interface Readiness:

- **Status**
 - Interface files tested with test data
- **Next Steps**
 - Test interfaces with real data end to end with 3rd party sign-off

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- Summary View

		Tested	3 rd Party
CSD	Central Supplier Data Base	Yes	Yes
Payroll File	Payroll information from Payday	Yes	No
Bank File	Bank files from ABSA	Yes	No
Bank File	Payment File	No	No
Meter Reading File	Meter Readings	Yes	No

Ms M.P MAKHUBELA

CHIEF FINANCIAL OFFICER

AUGUST 2019/20 FINANCIAL REPORT

GLOSSARY OF ABBREVIATIONS

Abbreviation	Description
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
UD	User Department
CS	Corporate Services
CFO	Chief Financial Officer
SCMU	Supply Chain Management Unit
BSC	Bid Specification Committee
CK	Company Registration
MFMA	Municipal Finance Management Act
SCMP	Supply Chain Management Policy
G.T.M	Greater Tzaneen Municipality
NT	National Treasury
BO	Buy Order
RF	Requisition Form
BF	Bid File
CIDB	Construction Industry Development Board

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SP	Service Provider
MMAC	Municipal Manager/Accounting Officer
BCM	Bid Committee Member
TCC	Tax Clearance Certificate