

STATISTICAL RELEASE

P9110

Quarterly financial statistics of municipalities

March 2017

Embargoed until:
29 June 2017
14:30

ENQUIRIES:
User Information Services
+27 (012) 310 8600

FORTHCOMING ISSUE:
June 2017

EXPECTED RELEASE DATE
September 2017

Contents

Key findings	1
Table 1 – Consolidated statement of financial performance of municipalities for the quarters ended September 2016 – March 2017: Expenditure – South Africa.....	3
Table 2 – Consolidated statement of financial performance of municipalities for the quarters ended September 2016 – March 2017: Income – South Africa	4
Table 3 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended September 2016 – March 2017: Expenditure – South Africa	5
Table 4 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended September 2016 – March 2017: Income – South Africa.....	6
Table 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended September 2016 – March 2017: Expenditure – South Africa	7
Table 6 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended September 2016 – March 2017: Income – South Africa	8
Table 7 - Rebased tables for the financial year ended 30 June 2016: Statement of financial performance of municipalities for rates and general services: Expenditure.....	9
Table 8 - Rebased tables for the financial year ended 30 June 2016: Statement of financial performance of municipalities for rates and general services: Income	10
Table 9 - Rebased tables for the financial year ended 30 June 2016: Statement of financial performance of municipalities for housing and trading services: Expenditure	11
Table 10 - Rebased tables for the financial year ended 30 June 2016: Statement of financial performance of municipalities for housing and trading services: Income.....	12
Annexure A – Seasonally adjusted purchases and sales of water.....	13
Annexure B – Seasonally adjusted purchases and sales of electricity	14
Notes	15
Explanatory notes	16
General information	20

Key findings

Table A – Purchases and sales of water and electricity, unadjusted*

Item	Quarter ended:					
	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
	Year-on-year % change, unadjusted					
Purchases of water	19,0	13,5	6,1	9,4	-9,6	-9,8
Sales of water	8,2	14,6	9,7	15,8	6,2	6,6
Purchases of electricity	18,4	14,0	15,6	0,1	-0,6	5,7
Sales of electricity	7,2	13,5	5,3	12,2	6,9	-1,3

* Some figures have been revised.

Table A shows annual growth rates in the purchases and sales of water and electricity. From the March quarter of 2016 to the March quarter of 2017, purchases of water decreased by 9,8% and sales of water increased by 6,6%, while purchases of electricity increased by 5,7% and sales of electricity decreased by 1,3%.

Table B – Purchases and sales of water and electricity, seasonally adjusted*

	Quarter ended:					
	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
	Quarter-on-quarter % change, seasonally adjusted					
Purchases of water	11,5	-2,1	-2,4	2,1	-7,0	-2,5
Sales of water	4,6	3,4	-1,4	8,6	-4,0	3,7
Purchases of electricity	4,7	1,6	1,6	-1,5	2,0	1,9
Sales of electricity	4,1	5,5	-2,5	4,1	-3,0	2,3

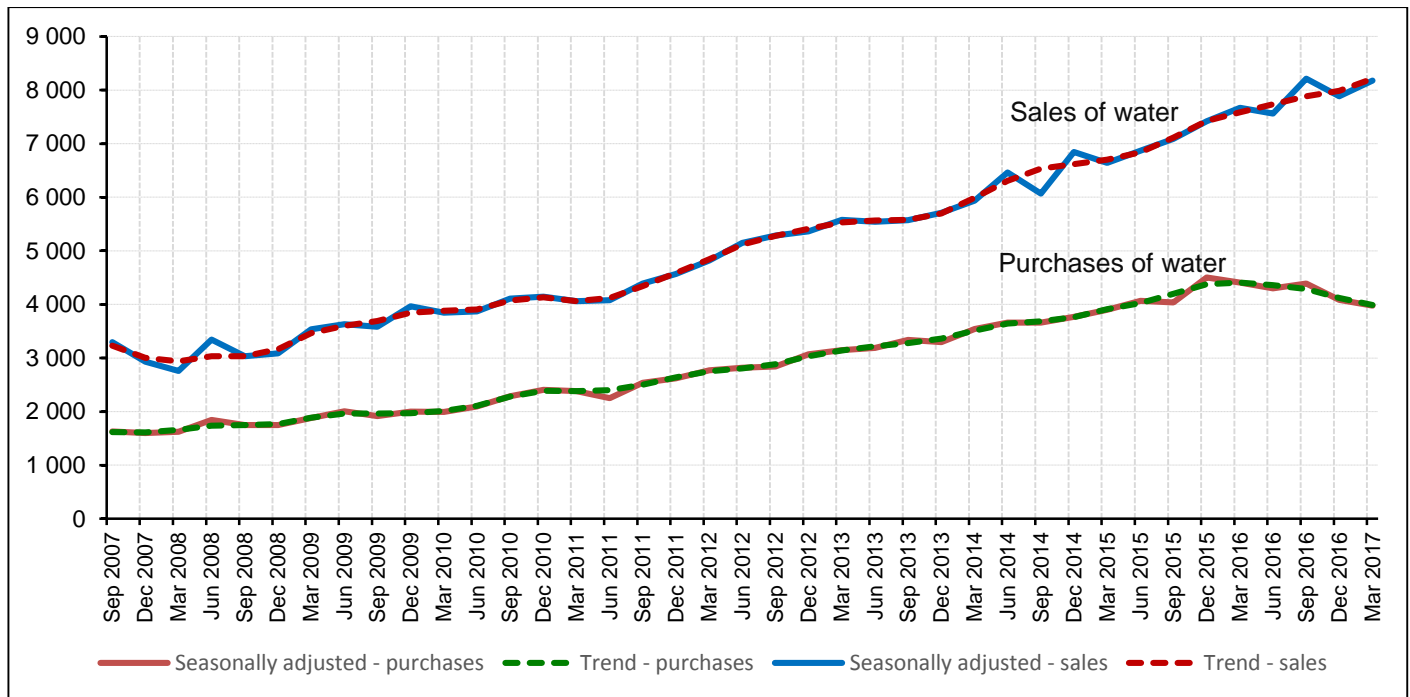
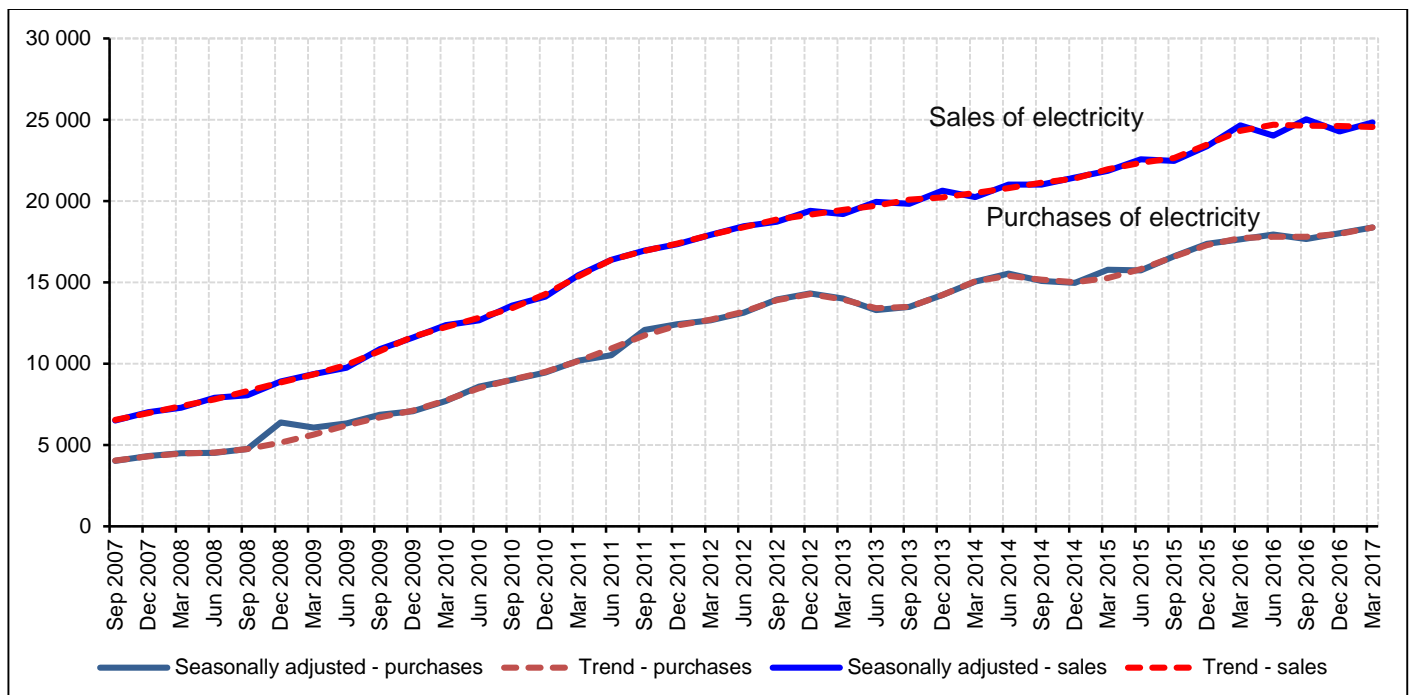
* Some figures have been revised

Table B shows quarterly growth rates in the purchases and sales of water and electricity, seasonally adjusted. From the December quarter of 2016 to the March 2017 quarter, purchases of water decreased by 2,5% and sales of water increased by 3,7%, while purchases of electricity increased by 1,9% and sales of electricity increased by 2,3%.

Seasonally adjusted purchases and sales of water are shown in Figure 1. Seasonally adjusted purchases and sales of electricity are shown in Figure 2.

Annexures A and B provide more detail and longer time series for water and electricity purchases and sales.

See page 17 for a short explanatory note on seasonal adjustment.

Figure 1 – Purchases and sales of water, seasonally adjusted, R million**Figure 2 – Purchases and sales of electricity, seasonally adjusted, R million**

PJ Lehohla
Statistician-General

Table 1 – Consolidated statement of financial performance of municipalities for the quarters ended September 2016, December 2016 and March 2017: Expenditure

Expenditure	September 2016	December 2016*	March 2017	Difference between quarters ended Dec. 2016 and Mar. 2017
	R million			
Employee-related costs	20 319	21 869	20 772	-1 097
Remuneration of board of directors/councillors	825	847	979	132
Interest paid	1 316	2 313	2 535	222
Loss on the disposal of property, plant and equipment	30	7	10	3
Bad debts	2 385	3 241	3 048	-193
Contracted services	2 424	4 087	3 242	-845
Collection costs	125	83	115	32
Depreciation and amortisation	4 087	4 399	5 618	1 219
Impairment loss (PPE)	0	5	2	-3
Repairs and maintenance	2 008	3 001	3 627	626
Bulk purchases:				
Purchases of water	4 233	4 151	4 058	-93
Purchases of electricity	20 545	16 102	15 651	-451
Other bulk purchases	10	4	7	3
Grants and subsidies paid to:				
Other local government institutions	23	54	74	20
Tertiary institutions of higher learning	0	1	3	2
Households or individuals	794	952	468	-484
Non-profit institutions serving households	2	4	3	-1
Other	1 689	1 438	1 608	170
General expenditure:				
Accommodation, travelling and subsistence	172	218	214	-4
Advertising, promotions and marketing	63	136	98	-38
Audit fees	124	423	259	-164
Bank charges	85	107	109	2
Cleaning services	83	110	103	-7
Consultancy and professional fees	559	829	781	-48
Entertainment costs	23	41	29	-12
Fuel and oil	305	335	650	315
Hiring of plant and equipment	142	352	387	35
Insurance costs	356	269	174	-95
Pharmaceutical	47	37	43	6
Postal and courier services	55	61	69	8
Printing and stationery	106	134	167	33
Rebates for property rates	1 627	1 256	1 818	562
Rebates for service charges	142	113	112	-1
Rental of land, buildings and other structures	167	200	116	-84
Rental of office equipment	240	262	359	97
Security services	497	758	631	-127
Subscriptions and membership fees	197	72	59	-13
Telecommunication services	189	243	216	-27
Training and education	145	195	119	-76
Transport costs	155	260	231	-29
Other expenditure	6 427	8 071	7 520	-551
Surplus	43 513	23 450	24 422	972
Total expenditure	116 234	100 490	100 506	16

* Some figures have been revised.

Table 2 – Consolidated statement of financial performance of municipalities for the quarters ended September 2016, December 2016 and March 2017: Income – South Africa

Income	September 2016	December 2016*	March 2017	Difference between quarters ended Dec. 2016 and Mar. 2017
	R million			
Property rates from:				
Residential	10 209	8 370	8 577	207
Commercial or business	3 060	2 776	2 922	146
State	1 305	599	742	143
Other (includes agricultural, municipal, etc.)	2 484	1 659	1 730	71
Property rates - penalties imposed and collection charges	64	52	58	6
Service charges				
Sales of water	8 175	8 142	8 235	93
Sales of electricity	29 486	23 620	22 521	-1 099
Refuse removal charges	2 787	2 511	2 557	46
Sewerage and sanitation charges	3 893	3 061	3 149	88
Other service charges (e.g. fresh produce market etc.)	7	1	48	47
Interest earned from:				
External investments	1 139	1 267	1 370	103
Outstanding debtors	1 313	1 257	1 667	410
Dividends received	0	0	3	3
Fines	795	853	860	7
Licences and permits	298	297	270	-27
Income for agency services	180	164	262	98
Rental of facilities and equipment	466	658	585	-73
Bad debts recovered	9	1	37	36
Public contributions and donations (including PPE)	55	110	62	-48
Gains on the disposal of property, plant and equipment	47	15	34	19
Grants and subsidies from:				
National government	22 438	21 163	16 342	-4 821
Provincial government	575	596	644	48
Local government	1	96	48	-48
Other	463	538	715	177
Spent conditional grant	6 340	4 658	7 932	3 274
Other income	4 374	4 005	4 388	383
Deficit	16 271	14 021	14 748	727
Total income	116 234	100 490	100 506	16

* Some figures have been revised.

Table 3 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended September 2016, December 2016 and March 2017: Expenditure – South Africa

Expenditure	September 2016	December 2016*	March 2017	Difference between quarters ended Dec. 2016 and Mar. 2017
	R million			
Employee-related costs	12 773	13 956	13 438	-518
Remuneration of board of directors/councillors	825	847	979	132
Interest paid	1 006	1 279	1 139	-140
Loss on the disposal of property, plant and equipment	20	5	8	3
Bad debts	981	1 370	530	-840
Contracted services	1 093	1 531	1 678	147
Collection costs	110	55	114	59
Depreciation and amortisation	1 091	1 257	1 865	608
Impairment loss (PPE)	0	5		-5
Repairs and maintenance	320	752	630	-122
Grants and subsidies paid to:				
Other local government institutions	21	41	60	19
Tertiary institutions of higher learning	0	1	3	2
Households or individuals	239	214	255	41
Non-profit institutions serving households	2	4	3	-1
Other	1 172	1 157	1 180	23
General expenditure:				
Accommodation, travelling and subsistence	149	189	166	-23
Advertising, promotions and marketing	45	115	83	-32
Audit fees	108	408	222	-186
Bank charges	80	98	106	8
Cleaning services	31	40	52	12
Consultancy and professional fees	354	455	486	31
Entertainment costs	23	39	28	-11
Fuel and oil	154	157	269	112
Hiring of plant and equipment	76	210	148	-62
Insurance costs	279	205	126	-79
Pharmaceutical	46	35	42	7
Postal and courier services	53	59	64	5
Printing and stationery	88	108	137	29
Rebates for property rates	1 627	1 256	1 818	562
Rental of land, buildings and other structures	145	164	86	-78
Rental of office equipment	61	96	104	8
Security services	352	517	484	-33
Subscriptions and membership fees	195	71	57	-14
Telecommunication services	153	206	170	-36
Training and education	124	167	105	-62
Transport costs	31	60	87	27
Other expenditure	3 811	3 899	3 253	-646
Surplus	25 714	16 270	15 892	-378
Total expenditure	53 352	47 298	45 867	-1 431

* Some figures have been revised.

Table 4 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended September 2016, December 2016 and March 2017: Income – South Africa

Income	September 2016	December 2016*	March 2017	Difference between quarters ended Dec. 2016 and Mar. 2017
	R million			
Taxes on property				
Property rates from:				
Residential	10 209	8 370	8 577	207
Commercial or business	3 060	2 776	2 922	146
State	1 305	599	742	143
Other (includes agricultural, municipal, etc.)	2 484	1 659	1 730	71
Property rates – penalties imposed and collection charges	64	52	58	6
Interest earned from:				
External investments	1 095	1 179	1 305	126
Outstanding debtors	906	933	966	33
Dividends received	0	0	0	
Fines	573	618	625	7
Licences and permits	95	93	80	-13
Income for agency services	95	47	136	89
Rental of facilities and equipment	252	446	310	-136
Bad debts recovered	9	1	1	
Public contributions and donations (including property, plant and equipment)	14	52	14	-38
Gains on the disposal of property, plant and equipment	46	13	17	4
Grants and subsidies from:				
National government	18 339	15 219	11 432	-3 787
Provincial government	383	260	349	89
Local government	1	10	5	-5
Other	285	393	539	146
Spent conditional grants	2 541	2 333	3 836	1 503
Other income	3 022	2 717	3 009	292
Deficit	8 574	9 528	9 214	-314
Total income	53 352	47 298	45 867	-1 431

* Some figures have been revised.

Table 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended September 2016, December 2016 and March 2017: Expenditure – South Africa

Expenditure	September 2016	December 2016*	March 2017	Difference between quarters ended Dec. 2016 and Mar. 2017
	R million			
Employee-related costs	7 546	7 913	7 334	-579
Interest paid	310	1 034	1 396	362
Loss on disposal of property, plant and equipment	10	2	2	
Bad debts	1 404	1 871	2 518	647
Contracted services	1 331	2 556	1 564	-992
Collection costs	15	28	1	-27
Depreciation and amortisation	2 996	3 142	3 753	611
Impairment loss (PPE)	0	0	2	2
Repairs and maintenance	1 688	2 249	2 997	748
Bulk purchases:				
Purchases of water	4 233	4 151	4 058	-93
Purchases of electricity	20 545	16 102	15 651	-451
Other bulk purchases	10	4	7	3
Grants and subsidies paid to:				
Other local government institutions	2	13	14	1
Tertiary institutions of higher learning	0	0	0	
Households or individuals	555	738	213	-525
Non-profit institutions serving households	0	0	0	
Other	517	281	428	147
General expenditure:				
Accommodation, travelling and subsistence	23	29	48	19
Advertising, promotions and marketing	18	21	15	-6
Audit fees	16	15	37	22
Bank charges	5	9	3	-6
Cleaning services	52	70	51	-19
Consultancy and professional fees	205	374	295	-79
Entertainment costs	0	2	1	-1
Fuel and oil	151	178	381	203
Hiring of plant and equipment	66	142	239	97
Insurance costs	77	64	48	-16
Pharmaceutical	1	2	1	-1
Postal and courier services	2	2	5	3
Printing and stationery	18	26	30	4
Rebates for service charges	142	113	112	-1
Rental of land, buildings and other structures	22	36	30	-6
Rental of office equipment	179	166	255	89
Security services	145	241	147	-94
Subscriptions and membership fees	2	1	2	1
Telecommunication services	36	37	46	9
Training and education	21	28	14	-14
Transport costs	124	200	144	-56
Other expenditure	2 616	4 172	4 267	95
Surplus	17 799	7 180	8 530	1 350
Total expenditure	62 882	53 192	54 639	1 447

* Some figures have been revised.

Table 6 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended September 2016, December 2016 and March 2017: Income – South Africa

Income	September 2016	December 2016*	March 2017	Difference between quarters ended Dec. 2016 and Mar. 2017
	R million			
Interest earned from:				
External investments	44	88	65	-23
Outstanding debtors	407	324	701	377
Dividends received	0	0	3	3
Fines	222	235	235	
Licences and permits	203	204	190	-14
Income for agency services	85	117	126	9
Rental of facilities and equipment	214	212	275	63
Bad debts recovered	0	0	36	36
Public contributions and donations (including property, plant and equipment)	41	58	48	-10
Gains on the disposal of property, plant and equipment	1	2	17	15
Service charges:				
Sales of water	8 175	8 142	8 235	93
Sales of electricity	29 486	23 620	22 521	-1 099
Refuse removal charges	2 787	2 511	2 557	46
Sewerage and sanitation charges	3 893	3 061	3 149	88
Other service charges (e.g. fresh produce market)	7	1	48	47
Grants and subsidies from:				
National government	4 099	5 944	4 910	-1 034
Provincial government	192	336	295	-41
Local government	0	86	43	-43
Other	178	145	176	31
Spent conditional grants	3 799	2 325	4 096	1 771
Other income	1 352	1 288	1 379	91
Deficit	7 697	4 493	5 534	1 041
Total income	62 882	53 192	54 639	1 447

* Some figures have been revised.

Table 7 - Rebased tables for the financial year ended 30 June 2016: Statement of financial performance of municipalities for rates and general services: Expenditure

Expenditure	September 2015	December 2015	March 2016	June 2016	Total 2016 ¹
	R million				
Employee-related costs	12 124	14 101	13 113	13 218	52 556
Remuneration of board of directors/councillors	816	830	949	911	3 506
Interest paid	1 189	1 504	1 287	1 511	5 491
Loss on the disposal of property, plant and equipment	0	12	23	634	669
Bad debts	2 195	2 381	3 399	4 990	12 965
Contracted services	1 225	2 488	1 916	2 935	8 564
Collection costs	151	300	218	172	841
Depreciation and amortisation	1 581	2 937	3 079	4 712	12 309
Impairment loss (PPE)	0	2	0	896	898
Repairs and maintenance	602	974	970	1 477	4 023
Grants and subsidies paid to:					
Other local government institutions	134	30	175	234	573
Tertiary institutions of higher learning	9	9	10	10	38
Households or individuals	264	259	261	206	990
Non-profit institutions serving households	3	1	3	1	8
Other	389	468	397	453	1 707
General expenditure:					
Accommodation, travelling and subsistence	167	235	147	211	760
Advertising, promotions and marketing	106	164	184	454	908
Audit fees	136	444	198	155	933
Bank charges	84	90	63	66	303
Cleaning services	29	38	38	39	144
Consultancy and professional fees	317	429	519	687	1 952
Entertainment costs	26	39	72	46	183
Fuel and oil	132	204	166	246	748
Hiring of plant and equipment	95	142	125	241	603
Insurance costs	380	182	129	102	793
Pharmaceutical	28	33	37	23	121
Postal and courier services	50	64	70	66	250
Printing and stationery	133	142	119	202	596
Rebates for property rates	1 005	790	840	905	3 540
Rental of land, buildings and other structures	384	380	380	153	1 297
Rental of office equipment	71	109	100	105	385
Security services	229	311	333	434	1 307
Subscriptions and membership fees	176	83	58	158	475
Telecommunication services	170	227	302	324	1 023
Training and education	138	188	178	224	728
Transport costs	68	61	70	87	286
Other expenditure	2 894	3 236	2 539	3 667	12 336
Surplus	22 471	14 084	12 217	3 167	51 939
Total expenditure	49 971	47 971	44 684	44 122	186 748

¹ The total of September 2015, December 2015, March 2016 and June 2016 quarters (refer to Publication P9114).

Table 8 - Rebased tables for the financial year ended 30 June 2016: Statement of financial performance of municipalities for rates and general services: Income

Income	September 2015	December 2015	March 2016	June 2016	Total 2016 ¹
	R million				
Taxes on property					
Property rates from:					
Residential	7 896	6 382	6 016	6 429	7 896
Commercial or business	3 813	3 701	3 489	4 256	3 813
State	743	452	520	471	743
Other (includes agricultural, municipal etc.)	2 525	1 903	1 470	1 913	2 525
Property rates - penalties imposed and collection charges	105	96	92	94	105
Interest earned from:					
External investments	711	821	1 133	1 273	3 938
Outstanding debtors	711	816	825	834	3 186
Dividends received	0	0	0	1	1
Fines	1 017	1 189	1 032	1 640	4 878
Licences and permits	116	113	112	120	461
Income for agency services	115	216	179	172	682
Rental of facilities and equipment	261	274	290	239	1 064
Bad debts recovered	47	8	5	11	71
Public contribution, donations (including property, plant and equipment)	12	96	100	905	1 113
Gains on the disposal of property, plant and equipment	27	59	27	239	352
Grants and subsidies from:					
National government	15 947	11 888	10 516	4 049	42 400
Provincial government	92	92	87	71	342
Local government	0	0	1	0	1
Other	10	12	11	11	44
Spent conditional grant	4 750	8 060	6 855	6 782	26 447
Other income	2 227	2 321	2 417	4 103	11 068
Deficit	8 846	9 472	9 507	10 509	38 334
Total income	49 971	47 971	44 684	44 122	186 748

¹ The total of September 2015, December 2015, March 2016 and June 2016 quarters (refer to Publication P9114).

Table 9 - Rebased tables for the financial year ended 30 June 2016: Statement of financial performance of municipalities for housing and trading services: Expenditure

Expenditure	September 2015	December 2015	March 2016	June 2016	Total 2016 ¹
	R million				
Employee-related costs	7 023	7 864	7 266	7 118	29 271
Interest paid	551	863	717	1 043	3 174
Loss on the disposal of property, plant and equipment	0	3	125	-77	51
Bad debts	1 943	1 697	1 881	2 426	7 947
Contracted services	1 562	2 674	2 283	3 146	9 665
Collection costs	15	22	23	80	140
Depreciation and amortisation	3 014	3 934	4 328	3 939	15 215
Impairment loss (PPE)	0	0	92	0	92
Repairs and maintenance	1 871	2 372	2 182	3 307	9 732
Bulk purchases:					
Purchases of water	3 868	4 593	4 497	4 296	17 254
Purchases of electricity	20 521	16 207	14 812	18 751	70 291
Other bulk purchases	44	63	51	51	209
Grant and subsidies paid to:					
Other local government institutions	4	2	6	39	51
Tertiary institutions of higher learning	0	0	0	0	0
Households or individuals	373	465	403	467	1 708
Non-profit institutions serving households	0	0	0	0	0
Other	131	221	175	508	1 035
General expenditure					
Accommodation, travelling and subsistence	25	31	25	28	109
Advertising, promotions and marketing	18	34	32	51	135
Audit fees	4	11	6	3	24
Bank charges	5	5	4	5	19
Cleaning services	21	36	32	52	141
Consultancy and professional fees	56	83	180	288	607
Entertainment costs	1	1	2	4	8
Fuel and oil	171	224	204	244	843
Hiring of plant and equipment	33	59	61	66	219
Insurance costs	38	32	37	19	126
Pharmaceutical	1	1	1	1	4
Postal and courier services	2	2	2	2	8
Printing and stationery	23	23	21	23	90
Rebates for service charges	182	127	197	166	672
Rental of land, buildings and other structures	17	34	24	33	108
Rental of office equipment	27	17	14	20	78
Security services	87	131	142	171	531
Subscriptions and membership fees	3	3	2	3	11
Telecommunication services	30	30	36	69	165
Training and education	23	25	30	42	120
Transport costs	11	28	21	32	92
Other expenditure	2 032	2 503	2 225	3 450	10 210
Surplus	8 088	6 569	8 908	7 748	31 313
Total Expenditure	51 818	50 989	51 047	57 614	211 468

¹ The total of September 2015, December 2015, March 2016 and June 2016 quarters (refer to Publication P9114).

Table 10 - Rebased tables for the financial year ended 30 June 2016: Statement of financial performance of municipalities for housing and trading services: Income

Income	September 2015	December 2015	March 2016	June 2016	Total 2016 ¹
	R million				
Interest earned from:					
External investments	93	62	195	74	424
Outstanding debtors	353	409	360	398	1 520
Dividends received	0	0	0	0	0
Fines	8	9	9	9	35
Licences and permits	69	66	56	59	250
Income for agency services	178	185	154	251	768
Rental of facilities and equipment	212	241	238	246	937
Bad debts recovered	0	0	0	0	0
Public contributions, donations (including property, plant and equipment)	48	75	88	403	614
Gains on the disposal of property, plant and equipment	4	2	7	3	16
Service charges:					
Sales of water	7 057	7 670	7 723	7 295	29 745
Sales of electricity	26 281	22 272	22 829	22 908	94 290
Refuse removal charges	2 448	2 235	2 211	2 247	9 141
Sewerage and sanitation charges	3 126	2 875	2 870	2 924	11 795
Other services charges (e.g. fresh produce market)	358	412	541	561	1 872
Grants and subsidies from:					
National government	2 138	2 298	2 256	2 087	8 779
Provincial government	41	78	69	64	252
Local government	0	0	0	0	0
Other	24	43	40	42	149
Spent conditional grant	2 483	6 311	6 658	9 065	24 517
Other income	454	527	619	1 822	3 422
Deficit	6 443	5 219	4 124	7 156	22 942
Total income	51 818	50 989	51 047	57 614	211 468

¹ The total of September 2015, December 2015, March 2016 and June 2016 quarters (refer to Publication P9114).

Annexure A – Purchases and sales of water

Quarter ended	Purchases of water				Sales of water			
	Actual (unadjusted)		Seasonally adjusted		Actual (unadjusted)		Seasonally adjusted	
	R million	Year-on-year % change	R million	Quarter-on-quarter % change	R million	Year-on-year % change	R million	Quarter-on-quarter % change
Sep 07	1 489		1 630		3 246		3 297	
Dec 07	1 661		1 597	-2,0	3 031		2 933	-11,0
Mar 08	1 615		1 622	1,6	2 865		2 759	-5,9
Jun 08	1 938		1 846	13,8	3 153		3 346	21,3
Sep 08	1 601	7,5	1 750	-5,2	2 989	-7,9	3 032	-9,4
Dec 08	1 816	9,3	1 747	-0,2	3 195	5,4	3 088	1,8
Mar 09	1 877	16,2	1 880	7,6	3 663	27,9	3 534	14,4
Jun 09	2 098	8,3	2 006	6,7	3 419	8,4	3 629	2,7
Sep 09	1 756	9,7	1 918	-4,4	3 537	18,3	3 586	-1,2
Dec 09	2 084	14,8	2 003	4,4	4 110	28,6	3 961	10,5
Mar 10	2 001	6,6	1 995	-0,4	3 972	8,4	3 844	-3,0
Jun 10	2 174	3,6	2 095	5,0	3 646	6,6	3 873	0,8
Sep 10	2 100	19,6	2 286	9,1	4 056	14,7	4 109	6,1
Dec 10	2 505	20,2	2 409	5,4	4 315	5,0	4 141	0,8
Mar 11	2 406	20,2	2 383	-1,1	4 169	5,0	4 057	-2,0
Jun 11	2 312	6,3	2 250	-5,6	3 848	5,5	4 084	0,7
Sep 11	2 345	11,7	2 539	12,8	4 342	7,1	4 391	7,5
Dec 11	2 723	8,7	2 623	3,3	4 769	10,5	4 564	3,9
Mar 12	2 813	16,9	2 769	5,6	4 919	18,0	4 817	5,5
Jun 12	2 865	23,9	2 816	1,7	4 876	26,7	5 163	7,2
Sep 12	2 646	12,8	2 842	0,9	5 239	20,7	5 285	2,4
Dec 12	3 172	16,5	3 066	7,9	5 597	17,4	5 353	1,3
Mar 13	3 211	14,1	3 147	2,6	5 658	15,0	5 574	4,1
Jun 13	3 221	12,4	3 192	1,4	5 279	8,3	5 567	-0,1
Sep 13	3 134	18,4	3 335	4,5	5 542	5,8	5 573	0,1
Dec 13	3 396	7,1	3 300	-1,0	5 935	6,0	5 697	2,2
Mar 14	3 617	12,6	3 532	7,0	6 000	6,0	5 926	4,0
Jun 14	3 676	14,1	3 671	3,9	6 186	17,2	6 493	9,6
Sep 14	3 474	10,8	3 653	-0,5	6 037	8,9	6 072	-6,5
Dec 14	3 861	13,7	3 777	3,4	7 092	19,5	6 819	12,3
Mar 15	3 961	9,5	3 857	2,1	6 742	12,4	6 669	-2,2
Jun 15	4 048	10,1	4 070	5,5	6 651	7,5	6 958	4,3
Sep 15	3 868	11,3	4 040	-0,7	7 057	16,9	7 091	1,9
Dec 15	4 593	19,0	4 503	11,5	7 670	8,2	7 416	4,6
Mar 16	4 497	13,5	4 407	-2,1	7 723	14,6	7 669	3,4
Jun 16	4 296	6,1	4 300	-2,4	7 295	9,7	7 564	-1,4
Sep 16	4 233	9,4	4 391	2,1	8 175	15,8	8 213	8,6
Dec 16	4 151	-9,6	4 083	-7,0	8 142	6,2	7 886	-4,0
Mar 17	4 058	-9,8	3 980	-2,5	8 235	6,6	8 177	3,7

Annexure B – Purchases and sales of electricity

Quarter ended	Purchases of electricity				Sales of electricity			
	Actual (unadjusted)		Seasonally adjusted		Actual (unadjusted)		Seasonally adjusted	
	R million	Year-on-year % change	R million	Quarter-on-quarter % change	R million	Year-on-year % change	R million	Quarter-on-quarter % change
Sep 07	5 256		4 016		7 546		6 496	
Dec 07	3 857		4 319	7,5	6 837		7 000	7,8
Mar 08	3 667		4 510	4,4	6 639		7 266	3,8
Jun 08	4 317		4 502	-0,2	7 440		7 894	8,6
Sep 08	6 491	23,5	4 734	5,2	9 093	20,5	8 058	2,1
Dec 08	5 685	47,4	6 409	35,4	8 874	29,8	8 857	9,9
Mar 09	4 870	32,8	6 057	-5,5	8 476	27,7	9 377	5,9
Jun 09	6 085	41,0	6 317	4,3	9 199	23,6	9 741	3,9
Sep 09	9 318	43,6	6 861	8,6	12 661	39,2	10 884	11,7
Dec 09	6 424	13,0	7 089	3,3	11 442	28,9	11 528	5,9
Mar 10	6 058	24,4	7 699	8,6	11 262	32,9	12 377	7,4
Jun 10	8 336	37,0	8 589	11,6	11 994	30,4	12 660	2,3
Sep 10	12 361	32,7	8 995	4,7	15 662	23,7	13 566	7,2
Dec 10	8 070	25,6	9 438	4,9	13 999	22,3	14 116	4,1
Mar 11	8 605	42,0	10 215	8,2	13 942	23,8	15 370	8,9
Jun 11	10 277	23,3	10 521	3,0	15 608	30,1	16 384	6,6
Sep 11	15 271	23,5	12 014	14,2	19 719	25,9	17 076	4,2
Dec 11	10 934	35,5	12 368	2,9	17 514	25,1	17 592	3,0
Mar 12	10 390	20,7	12 651	2,3	16 269	16,7	17 887	1,7
Jun 12	12 965	26,2	13 143	3,9	17 695	13,4	18 457	3,2
Sep 12	17 492	14,5	13 970	6,3	21 692	10,0	18 706	1,3
Dec 12	13 058	19,4	14 332	2,6	18 626	6,3	19 313	3,2
Mar 13	11 432	10,0	13 992	-2,4	17 763	9,2	19 174	-0,7
Jun 13	13 297	2,6	13 304	-4,9	19 218	8,6	19 969	4,1
Sep 13	17 309	-1,0	13 493	1,4	22 445	3,5	19 873	-0,5
Dec 13	13 049	-0,1	14 238	5,5	19 583	5,1	20 515	3,2
Mar 14	12 334	7,9	15 037	5,6	18 925	6,5	20 242	-1,3
Jun 14	15 821	19,0	15 551	3,4	20 222	5,2	21 032	3,9
Sep 14	19 038	10,0	15 099	-2,9	23 726	5,7	21 013	-0,1
Dec 14	13 688	4,9	15 007	-0,6	20 779	6,1	21 316	1,4
Mar 15	12 997	5,4	15 676	4,5	20 115	6,3	21 993	3,2
Jun 15	16 222	2,5	15 726	0,3	21 764	7,6	22 738	3,4
Sep 15	20 521	7,8	16 592	5,5	26 281	10,8	22 459	-1,2
Dec 15	16 207	18,4	17 364	4,7	22 272	7,2	23 369	4,1
Mar 16	14 812	14,0	17 649	1,6	22 829	13,5	24 651	5,5
Jun 16	18 751	15,6	17 930	1,6	22 908	5,3	24 032	-2,5
Sep 16	20 545	0,1	17 668	-1,5	29 486	12,2	25 027	4,1
Dec 16	16 102	-0,6	18 021	2,0	23 802	6,9	24 281	-3,0
Mar 17	15 651	5,7	18 364	1,9	22 521	-1,3	24 833	2,3

Notes

Forthcoming issue	Issue	Expected release date
	June 2017	September 2017
Purpose of survey	The <i>Quarterly financial statistics of municipalities</i> is a quarterly survey that covers local, district and metropolitan municipalities in South Africa. The results are used as inputs into the gross domestic product (GDP) calculation as well as to assist the public sector with policy formulation and the financial analysis of municipalities.	
Response rates	September quarter 2016: 99% (of 257) December quarter 2016: 100% (of 257) March quarter 2017: 99% (of 257)	
	The following municipalities did not submit their figures for March 2017 by the cut-off date: <ol style="list-style-type: none"> 1. Kai-Garib Local Municipality – Northern Cape 2. Lephalale Local Municipality – Limpopo 3. Musina Local municipality – Limpopo 	
	Estimates for the above three respondents were imputed using the historical method of imputation.	
Rebasing	Data for quarterly financial statistics of municipalities for the year ended 30 June 2016 are aligned to the annual financial census of municipalities for the respective year (which is verified by using the annual financial statements from municipalities). Refer to <i>Financial census of municipalities</i> (P9114).	

Explanatory notes

Introduction	1	<p>The purpose of the quarterly financial statistics survey of municipalities is to provide stakeholders with information for allowing analysis and assessment of the state of local government finances.</p> <p>This publication contains estimates for the quarters ended March 2016, June 2016, September, December 2016 and March 2017. The survey is designed to obtain financial information of local government institutions relating to:</p> <ul style="list-style-type: none"> the consolidated statement of financial performance of municipalities the consolidated statement of financial performance of municipalities – rates and general services; and the consolidated statement of financial performance of municipalities – housing and trading services.
Scope of the survey	2	<p>This survey covers quarterly financial information of all 257 municipalities. Unadjusted data for all municipalities are available with effect from September 2016. Only water (sales and purchases) and electricity (sales and purchases) have seasonally adjusted estimates, and these are available at the national level only (not at provincial or municipal level).</p>
Classification and accounting standards	3	<p>For the purposes of classification of local government institutions according to activities, Statistics South Africa (Stats SA) used the Standard Industrial Classification of All Economic Activities, Fifth Edition, and Report No.09-90-02 of January 1993 (SIC). Activities of local government institutions also adhere to the accounting standards and requirements in terms of the Generally Recognised Accounting Practice (GRAP).</p> <p>The Standard Chart of Accounts for municipalities and municipal entities (MSCOA) was implemented from July 2016. This is a multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.</p>
Survey methodology and design	4	<p>The statistical unit for the collection of information is the municipality.</p>
Imputation	5	<p>The historical method is used to impute for non-response. According to this method previous information is used to arrive at current figures, after being appraised for its suitability.</p>
Revised figures	6	<p>Estimates for the current quarter are preliminary. Figures will be revised if respondents report revisions or corrections to their figures and also if the data were received late by Stats SA (after the cut-off date for submitting their questionnaires).</p>
Rounding off figures	7	<p>The figures in the tables have been rounded off to the nearest digit shown, and as a result there may be slight discrepancies between the sums of the constituent items and the totals shown.</p>
Related publications	8	<p>Users may wish to refer to the following Stats SA publications:</p> <ul style="list-style-type: none"> P9101 <i>Capital expenditure of the public sector;</i> P9114 <i>Financial census of municipalities;</i> P9119.4 <i>Financial statistics of consolidated general government;</i> P0441 <i>Gross domestic product; and</i> P0277 <i>Quarterly employment statistics</i>

Symbols and abbreviations used**9**

GRAP	Generally Recognised Accounting Practice
QES	Quarterly Employment Statistics
SIC	Standard Industrial Classification of All Economic Activities
Stats SA	Statistics South Africa
0	Nil or not applicable

Seasonal adjustment**10**

Seasonally adjusted estimates are generated each quarter using the X-12 Seasonal Adjustment Program developed by the US Bureau of the Census. Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation from the series so that the effects of other influences on the series can be recognised more clearly. Seasonal adjustment does not aim to remove irregular or non-seasonal influences which may be present in any particular quarter. Influences that are volatile or unsystematic can still make it difficult to interpret the movement of the series, even after adjustment for seasonal variations. Therefore, the quarter-to-quarter movements of seasonally adjusted estimates may not be reliable indicators of trend behaviour. The X-12-ARIMA procedure for purchases and sales of water and electricity is described in more detail on the Stats SA website.

Glossary of selected variables used in this publication

Consolidated statement of financial performance	The aggregate or consolidated statement of financial performance (previously referred to as income statement) reports the institution's financial performance during a specific period in time. This statement covers all the revenue and expenditure of an entity over a specific period in time.
Current expenditure	Current expenditure refers to transactions that decrease the net worth of the institution, including interest paid, compensation of employees, grants and subsidies paid, and depreciation, but excluding the acquisition of fixed capital. It consists of the total expenditure of rates and general services (excluding the surplus), and the total expenditure of housing and trading services (excluding the surplus).
District municipality	District municipality refers to a municipality that has a municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category C municipality. Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).
Employee-related costs	<p>Employee-related costs include payment to full-time and part-time employees irrespective of whether the remuneration is paid out of revenue, capital or any other account.</p> <p>Employee-related costs also include:</p> <ul style="list-style-type: none"> • basic compensation; • allowances; • contribution to other benefit funds of employees such as medical aid, pension fund contributions, group life, etc. (excluding unemployment insurance and workmen's compensation, etc., which may be looked upon as a form of insurance and would appear under general expenditure) and other benefits such as housing subsidy, etc.; and • uniform and clothing allowances (clothing, boots, overalls, etc. supplied to uniformed employees). • also refer to the Quarterly Employment Statistics (QES, P0277) which measure employment and gross earnings of all employees on a given municipal payroll.
General expenditure	The following are included in general expenditure: accommodation, travelling and subsistence; advertising; audit fees; bank charges; cleaning services; consultancy fees; fuel and oil; hiring of plant and equipment; insurance costs; membership fees; pharmaceutical expenses; postage and stamps; printing and stationery; security fees; rental of land, buildings and other structures; rental of office equipment; telecommunication services; training and education; and transport costs.
Housing and trading services	Housing includes all activities associated with the municipal provision of housing. Trading services are services for which the tariffs are determined in such a way that the provision of the service should yield a trading profit (market-related goods and services). Trading services include waste management (refuse removal, solid waste disposal (landfill sites), street cleaning, recycling etc.), waste water management (sewerage, storm water management and public toilets), road transport (roads, public buses, parking garages, vehicle licensing and testing), water (water distribution, water storage), electricity (electricity distribution, electricity generation, street lighting) and other trading services which include environmental protection (such as pollution control, biodiversity & landscape and coastal protection etc.), air transport, abattoirs, tourism, forestry, markets and licensing & regulation (such as licensing of food and liquor sales to the public and licensing of street traders (hawkers control) and business).
Local municipality	Local municipality refers to municipalities that share municipal executive and legislative authority in its area with a district municipality within whose area it falls, that is described in section 155(1) of the Constitution as a category B municipality. Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).

Metropolitan municipality	Metropolitan municipality refers to an institution that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category A municipality. Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).
Municipality	Municipality is a generic term describing the 'unit' of government in the local spheres responsible for local government in a geographically demarcated area and includes district, local and metropolitan municipalities. A municipality is an institution consisting of a municipal council (elected political representatives) and the municipal administration (appointed officials). Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).
Other expenditure	<p>The following are included in other expenditure:</p> <ul style="list-style-type: none">• departmental charges/fees;• books and magazines;• consumables;• licences and trade licences;• workshops;• refreshments; and• sundries.
Rates and general services	Rates and general services refer to municipal services that are not economically self-supporting and are financed by imposing assessment and other rates, the receipt of subsidies and other contributions. This includes ambulance services, fire control (or fire-fighting), health services (clinics, old-age homes), roads and storm water drainage, parks and recreation (libraries, cultural activities, museums, sport administration, community halls, swimming pools, sports grounds, nature reserves, etc.), sewerage and cleansing, traffic (licensing offices) and other services (city engineers, administration, personnel, legal services, city treasurer, etc.).
Repairs and maintenance	Repairs and maintenance include all expenditure on repairs and maintenance of the various assets of the municipality. Where considered necessary, the cost of repairs in respect of the various types of assets, e.g. buildings, plant, may be subdivided. Where repairs and maintenance have been charged to a 'provision for repairs account', the actual expenditure incurred during the current year has been reflected under this subdivision and the amount chargeable to the 'provision for repairs' is reflected as a deduction from the actual cost. Any balance of expenditure still remaining is treated as a charge against the current year.

General information

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

Stats SA has copyright on this publication. Users may apply the information as they wish, provided that they acknowledge Stats SA as the source of the basic data whenever they process, apply, utilise, publish or distribute the data, and also that they specify that the relevant application and analysis (where applicable) result from their own processing of the data.

Stats SA products

A complete set of Stats SA publications is available at the Stats SA Library and the following libraries:

National Library of South Africa, Pretoria Division
National Library of South Africa, Cape Town Division
Natal Society Library, Pietermaritzburg
Library of Parliament, Cape Town
Bloemfontein Public Library
Johannesburg Public Library
Eastern Cape Library Services, King William's Town
Central Regional Library, Polokwane
Central Reference Library, Mbombela
Central Reference Collection, Kimberley
Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

Electronic services

A large range of data is available via online services. For more details about our electronic services, contact Stats SA's user information service at (012) 310 8600.

You can also visit us on the Internet at: www.statssa.gov.za

Technical enquiries

Hellen Maribe

Telephone number: (012) 310 2931

Email: hellenm@statssa.gov.za

Charles Thobela

Telephone number: (012) 310 2935

Email: charlest@statssa.gov.za

Produced by Stats SA