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Financial census of municipalities

for the year ended 30 June 2018

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Technical notes

Response rates for the 2018 financial year per province

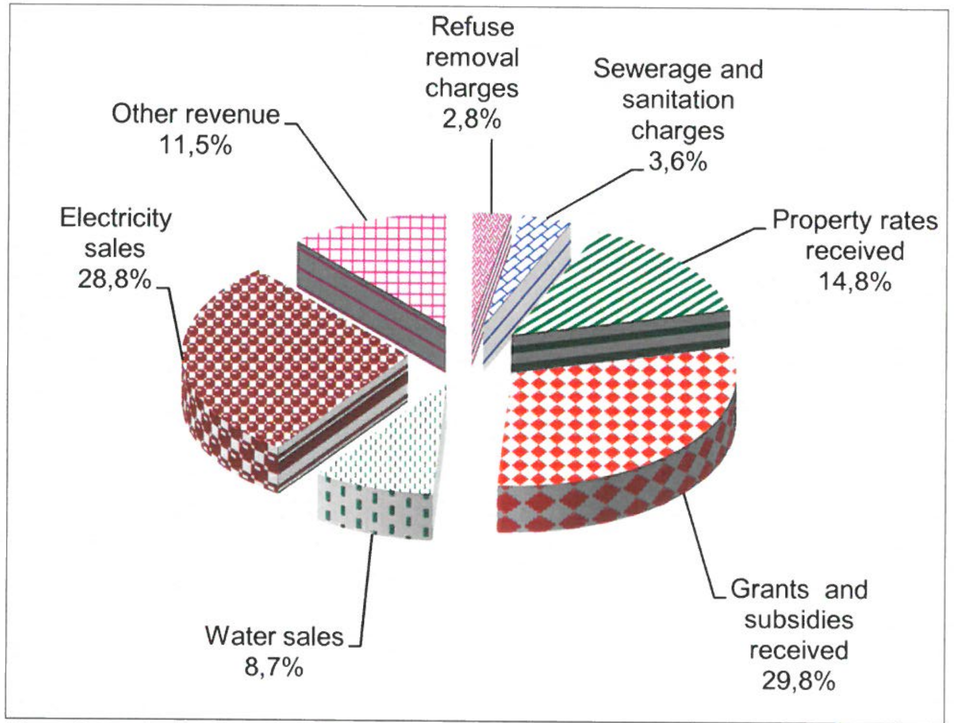
Province	Municipalities				
	Metropolitan municipalities (MMs)	District municipalities (DMs)	Local municipalities (LMs)	Total	Response rate
Western Cape	1	5	24	30	100%
Eastern Cape	2	6	31	39	100%
Northern Cape	0	5	26	31	100%
Free State	1	4	18	23	100%
KwaZulu-Natal	1	10	43	54	100%
North West	0	4	18	22	100%
Gauteng	3	2	6	11	100%
Mpumalanga	0	3	17	20	100%
Limpopo	0	5	22	27	100%
Total	**8**	**44**	**205**	**257**	**100%**

The following municipalities submitted their data to Stats SA without annual financial statements (AFS) as they were not ready by the cut-off date and as a result their figures could not be verified:

- Maluti-A-Phofung Local Municipality – Free State
- Masilonyana Local Municipality – Free State
- Phokwane Local Municipality – Northern Cape
- Renosterberg Local Municipality – Northern Cape

Key findings

Figure A: Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2017*



*Some figures have been revised.

Figure A above shows that the largest contributor to total municipal revenue of R349 678 million (total revenue less deficit and rebates: see Part 3 tables) for the year ended 30 June 2017 was 'grants and subsidies received' (29,8%), followed by 'electricity sales' (28,8%), 'property rates received' (14,8%), 'other revenue' (11,5%) (which consists of fines, licences and permits, public contributions and donations, etc.), 'water sales' (8,7%), 'sewerage and sanitation charges' (3,6%), and 'refuse removal charges' (2,8%).

Figure B: Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2018

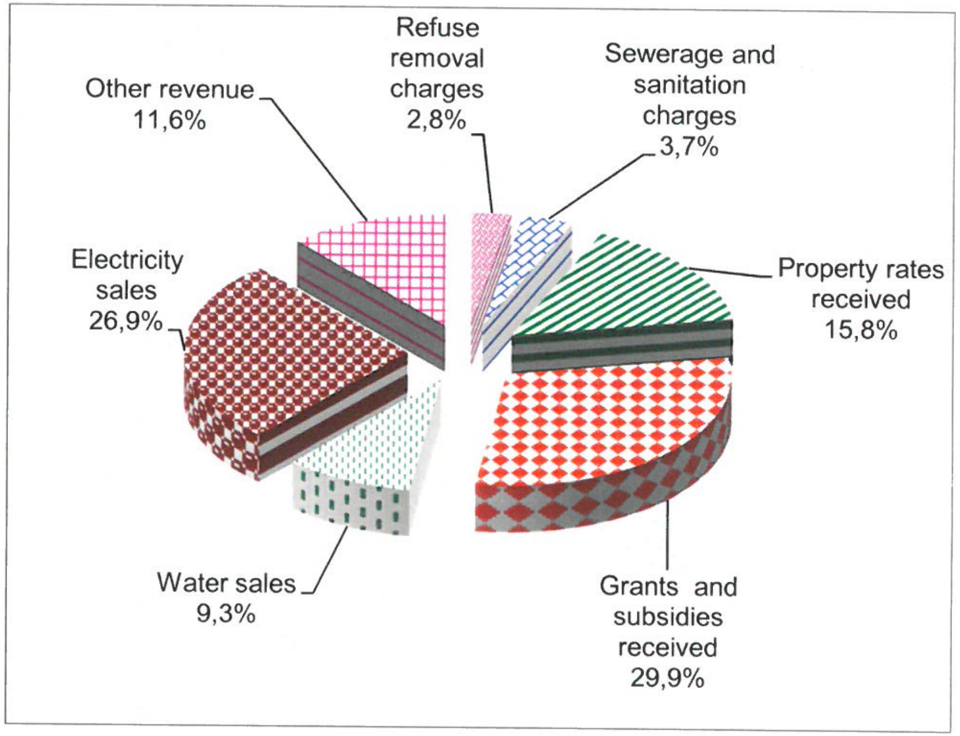
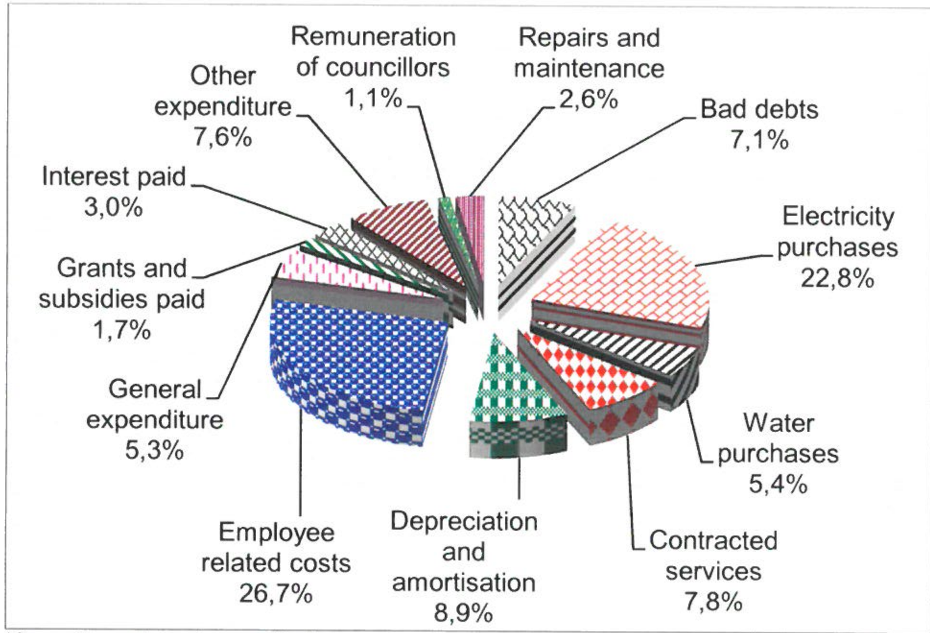


Figure B above shows that the largest contributor to total municipal revenue of R370 324 million (total revenue less deficit and rebates: see Part 3 tables) for the year ended 30 June 2018 was 'grants and subsidies received' (29,9%), followed by 'electricity sales' (26,9%), 'property rates received' (15,8%), 'other revenue' (11,6%) (which consists of fines, licences and permits, public contributions and donations, etc.), 'water sales' (9,3%), 'sewerage and sanitation charges' (3,7%), and 'refuse removal charges' (2,8%).

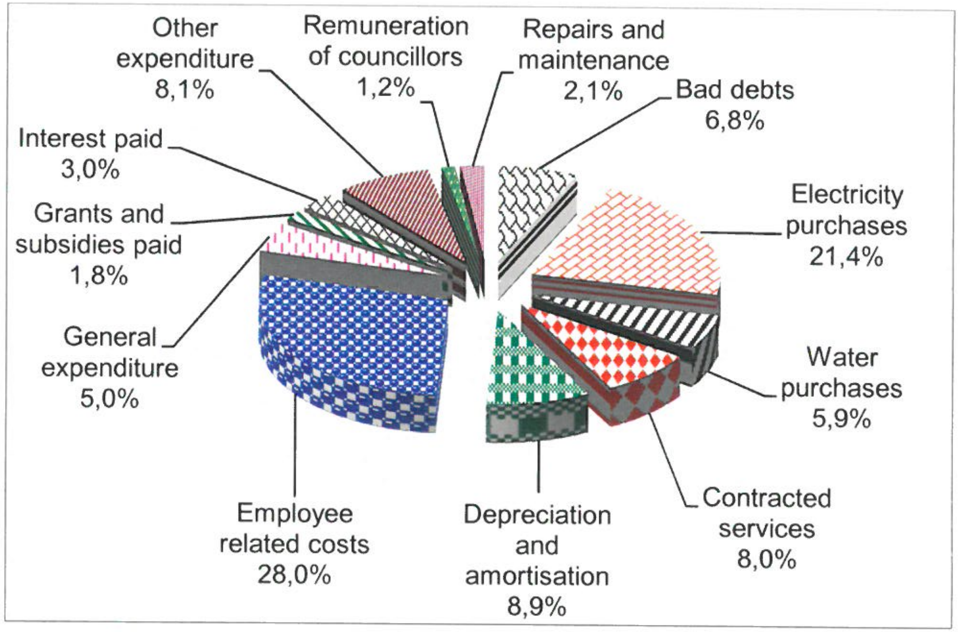
Figure C: Municipal operating expenditure patterns as a percentage of the total expenditure for the year ended 30 June 2017*



*Some figures have been revised.

As depicted in Figure C above, in 2017 the largest contributor to municipal total operating expenditure of R330 921 million (total expenditure less surplus and rebates: see Part 3 tables) was 'employee-related costs' (26,7%), followed by 'electricity purchases' (22,8%), 'depreciation and amortisation' (8,9%), 'contracted services' (7,8%), 'other expenditure' (7,6%) (which consists of collection costs, loss on disposal of property, plant and equipment, impairment loss, etc.), 'bad debts' (7,1%), 'water purchases' (5,4%), 'general expenditure' (5,3%) (which consists of accommodation, travel and subsistence costs, audit fees, bank charges, consultancy and professional fees, fuel and oil, hiring of equipment, insurance costs, subscriptions and membership fees, telecommunication costs, etc.), 'interest paid' (3,0%), 'repairs and maintenance' (2,6%), 'grants and subsidies paid' (1,7%), and 'remuneration of councillors' (1,1%).

Figure D: Municipal operating expenditure patterns as a percentage of the total expenditure for the year ended 30 June 2018



As depicted in Figure D above, in 2018 the largest contributor to municipal total operating expenditure of R346 663 million (total expenditure less surplus and rebates: see Part 3 tables) was 'employee-related costs' (28,0%), followed by 'electricity purchases' (21,4%), 'depreciation and amortisation' (8,9%), 'other expenditure' (8,1%) (which consists of collection costs, loss on disposal of property, plant and equipment, impairment loss, etc.), 'contracted services' (8,0%), 'bad debts' (6,8%), 'water purchases' (5,9%), 'general expenditure' (5,0%) (which consists of accommodation, travel and subsistence costs, audit fees, bank charges, consultancy and professional fees, fuel and oil, hiring of equipment, insurance costs, subscriptions and membership fees, telecommunication costs, etc.), 'interest paid' (3,0%), 'repairs and maintenance' (2,1%), 'grants and subsidies paid' (1,8%), and 'remuneration of councillors' (1,2%).

Table 1: Acid test ratio

Year	Acid test ratio of municipalities for the financial years ended 30 June 2017 and 30 June 2018		
	Current assets minus inventory	Current liabilities	Acid test ratio
	R million	R million	
2017*	112 424	120 001	0,9:1
2018	122 253	130 671	0,9:1

*Some figures have been revised.

Table 1 above reflects the acid test ratio *(current assets minus inventory divided by current liabilities)*. For the financial years ended 30 June 2017 and 30 June 2018, municipalities had an acid test ratio of 0,9:1.

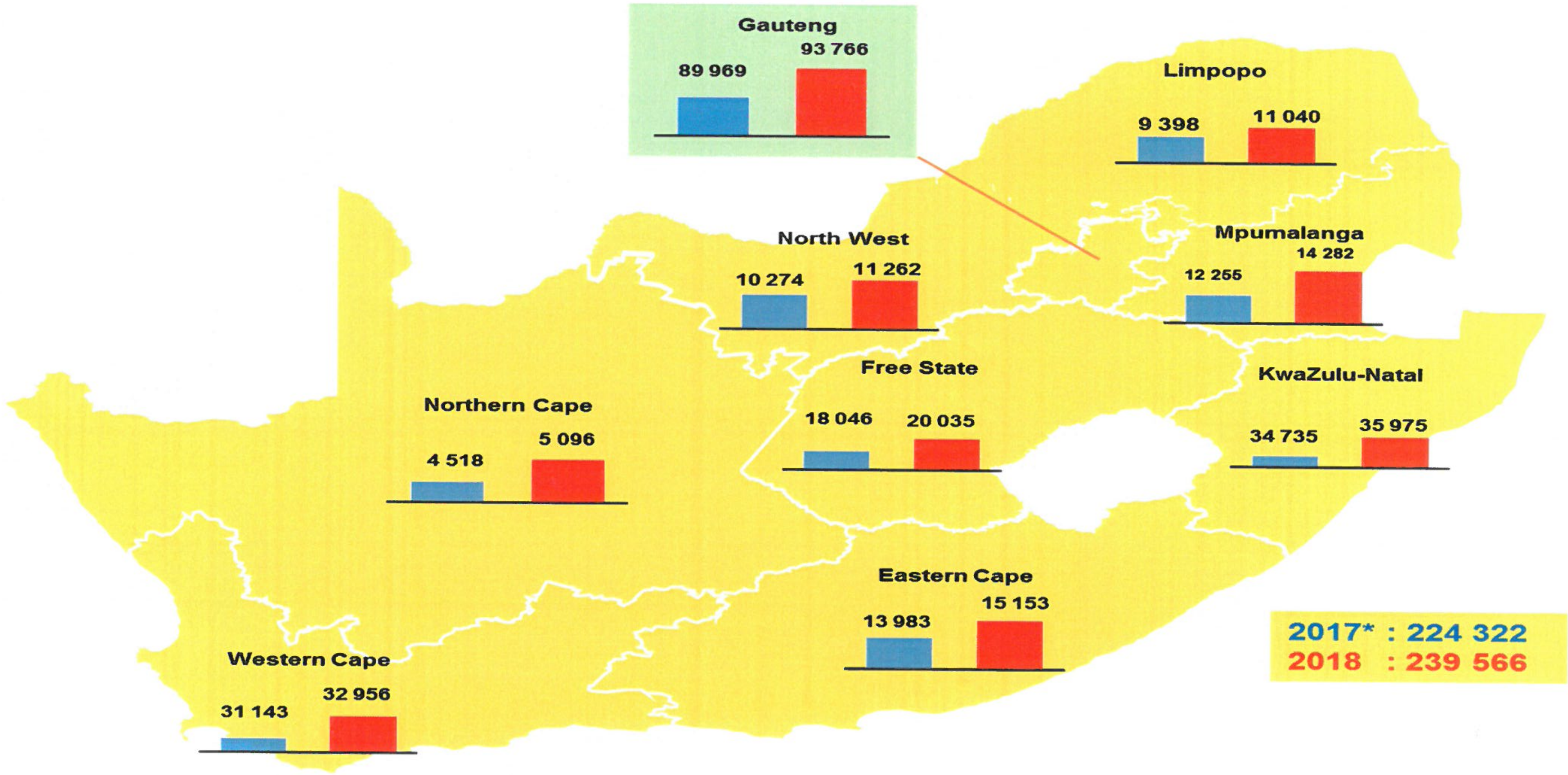
Table 2: Current ratio

Year	Current ratio of municipalities for the financial years ended 30 June 2017 and 30 June 2018		
	Current assets	Current liabilities	Current ratio
	R million	R million	
2017*	119 032	120 001	1,0:1
2018	129 774	130 671	1,0:1

*Some figures have been revised.

Table 2 above reflects the current ratio *(also called the working capital ratio)*. The ratio measures the extent to which current assets provide cover to meet current liabilities. For the financial years ended 30 June 2017 and 30 June 2018, municipalities had a current ratio of 1,0:1.

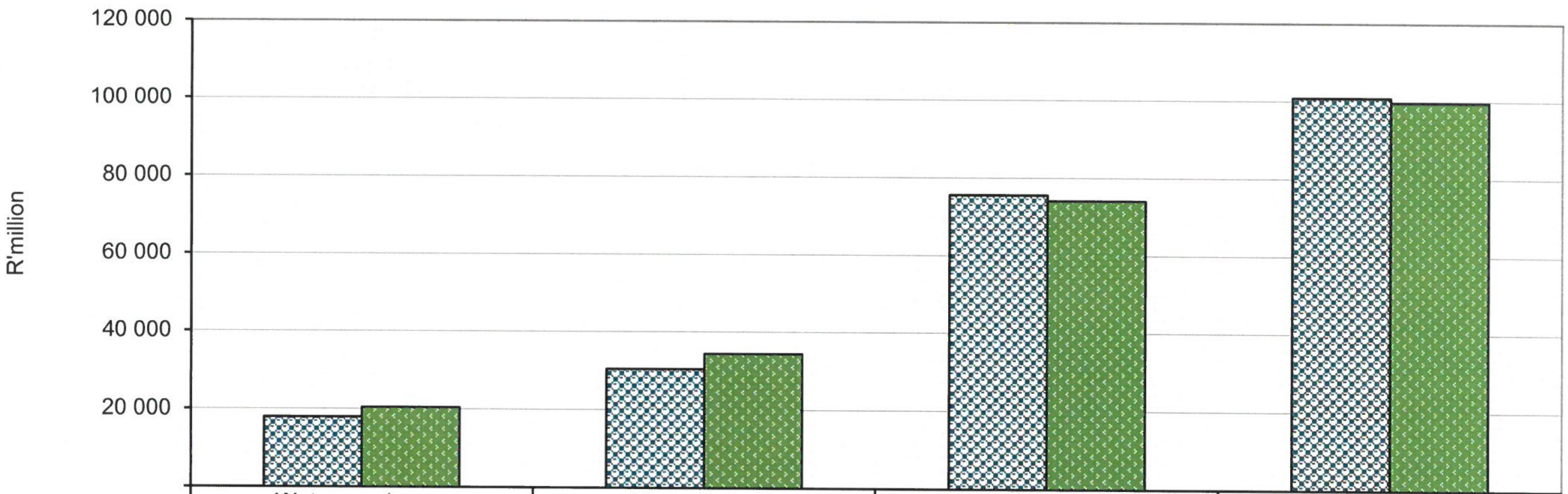
Figure E: Municipal total liabilities per province as at 30 June 2017 and 30 June 2018 (R million)



As at 30 June 2018, municipalities owed their lenders, suppliers and other creditors a combined amount of R239 566 million, 6,8% more than what they owed as at 30 June 2017. The provinces which showed the highest percentage increases between 2017 and 2018 were Limpopo (17,5%), Mpumalanga (16,5%), Northern Cape (12,8%) and Free State (11,0%).

The provinces which had the lowest percentage increases between 2017 and 2018 were KwaZulu-Natal (3,6%), Gauteng (4,2%), Western Cape (5,8%) and Eastern Cape (8,4%). The above municipal total liabilities exclude net assets and outside shareholders' interest as outlined in part 1 of the statistical release.

Figure F: Purchases and sales of water and electricity for the financial years ended 30 June 2017 and 30 June 2018 (R million)



	Water purchases	Water Sales**	Electricity purchases	Electricity sales**
2017*	17 936	30 402	75 568	100 821
2018	20 392	34 381	74 132	99 585

*Some figures have been revised.
**Sales of water and electricity are net of rebates (income forgone) for these services.

Purchases of water increased from R17 936 million in 2017 to R20 392 million in 2018 (13,7%), while sales of water reflected an increase from R30 402 million to R34 381 million (13,1%) over the same period. Purchases of electricity decreased from R75 568 million in 2017 to R74 132 million in 2018 (-1,9%), while sales of electricity reflected a decrease from R100 821 million in 2017 to R99 585 million in 2018 (-1,2%).

Risenga Maluleke
Statistician-General

Part 1: Consolidated statement of financial position of municipalities as at 30 June 2017 and 30 June 2018

Net assets and liabilities	2017*(a) R'000	2018(b) R'000	Difference[1] R'000
Net assets			
Housing development fund	1 026 164	980 944	-45 220
Capital replacement reserve	3 744 788	3 461 391	-283 397
Capitalisation reserve	0	0	0
Government grant reserve	7 513 266	8 648 437	1 135 171
Donations and public contributions reserve	405 709	458 188	52 479
Self-insurance reserve	617 429	652 308	34 879
Revaluation reserve	20 320 546	22 754 309	2 433 763
COID[2] reserve	198 724	215 576	16 852
Other reserves	3 289 509	1 378 484	-1 911 025
Retained surplus/(accumulated deficit)	525 979 916	547 806 964	21 827 048
Outside shareholders' interest	407 779	317 954	-89 825
Non-current liabilities			
Marketable loan stock and bonds			
Domestic loan stock held by:			
Other local government institutions	0	0	0
Public financial corporations	0	0	0
Public non-financial corporations	0	0	0
Other (includes public/private companies, individuals, etc.)	1	1	0
Bonds held by:			
Other local government institutions	0	0	0
Public financial corporations	1 883 171	1 883 171	0
Public non-financial corporations	0	0	0
Other (includes public/private companies, individuals, etc.)	16 154 829	18 353 162	2 198 333
Long-term loans from:			
National government	0	0	0
Provincial government	0	0	0
Local government institutions	0	0	0
Development Bank of Southern Africa (DBSA)	22 920 551	23 621 994	701 443
Local authorities loans fund	0	0	0
Public financial corporations (excluding DBSA)	7 956	0	-7 956
Public non-financial corporations	0	0	0
Banks	10 680 326	9 611 531	-1 068 795
Insurers	0	0	0
Pension funds	0	0	0
Other domestic sources (including INCA[3])	5 495 727	5 813 918	318 191
Long-term finance lease obligation	1 011 527	1 075 767	64 240
Non-current provisions	16 968 432	18 170 873	1 202 441
Non-current employee benefit obligation	21 764 899	21 503 940	-260 959
Other non-current liabilities[4]	7 433 591	8 860 591	1 427 000

[1]Difference (b-a).
[2]COID – Compensation Commissioner for Occupational Injuries and Diseases.
[3]INCA – Infrastructure Finance Corporation Ltd.
[4]Includes suspense accounts and liabilities not separately listed on the questionnaire.
*Some figures have been revised.

Part 1: Consolidated statement of financial position of municipalities as at 30 June 2017 and 30 June 2018 (continued)

Net assets and liabilities	2017*(a) R'000	2018(b) R'000	Difference[1] R'000
Current liabilities			
Short-term loans from:			
National government	0	0	0
Provincial government	0	0	0
Local government institutions	3 000	3 000	0
Development Bank of Southern Africa (DBSA)	1 639 592	1 827 397	187 805
Local authorities loans fund	0	0	0
Public financial corporations (excluding DBSA)	6 713	7 880	1 167
Public non-financial corporations	0	0	0
Banks	1 550 205	1 524 708	-25 497
Insurers	0	0	0
Pension funds	0	0	0
Other domestic sources (including INCA[2])	3 980 198	1 375 844	-2 604 354
Short-term finance lease obligation	617 285	499 102	-118 183
Current provisions	4 353 143	4 793 158	440 015
Current employee benefit obligation	1 861 412	2 154 684	293 272
Unspent conditional grants	6 377 845	7 911 132	1 533 287
VAT[3] payable	2 569 365	3 709 008	1 139 643
Bank overdraft	422 302	426 512	4 210
Creditors:			
Trade creditors	48 887 662	55 843 336	6 955 674
Consumer deposits	5 759 259	6 361 758	602 499
Income/payments received in advance	6 264 162	6 163 317	-100 845
Other creditors	34 704 047	37 262 368	2 558 321
Other current liabilities[4]	1 004 437	807 436	-197 001
Total net assets and liabilities	**787 825 467**	**826 240 143**	**38 414 676**

[1]Difference (b-a).
[2]INCA – Infrastructure Finance Corporation Ltd.
[3]VAT – Value added tax.
[4]Includes suspense accounts and liabilities not separately listed on the questionnaire.
*Some figures have been revised.

Part 1: Consolidated statement of financial position of municipalities as at 30 June 2017 and 30 June 2018 (continued)

Assets	2017*(a) R'000	2018(b) R'000	Difference[1] R'000
Non-current assets			
Property, plant and equipment (PPE) (net carrying value)	626 416 147	652 574 823	26 158 676
Investment property	26 622 147	26 152 672	-469 475
Intangible assets	4 125 071	4 855 374	730 303
Biological (cultivated) assets	162 653	199 685	37 032
Investments in marketable securities:			
Municipal stock/shares	0	0	0
Other marketable stock/shares:			
Government stock	0	0	0
Treasury bills	0	0	0
Other local government institutions' stock	711	0	-711
Public financial corporations' stock	0	0	0
Public non-financial corporations' stock	0	0	0
Companies' shares	54 786	60 039	5 253
Investments in non-marketable instruments of spheres of government, government institutions and elsewhere	4 769 011	5 049 707	280 696
Long-term receivables, loans, deposits, and investments			
Long-term receivables:			
Car loans	0	0	0
Housing selling scheme loans	48 950	33 515	-15 435
Sewerage connection loans	0	0	0
Electricity appliance purchase scheme	0	0	0
Other (including local government institutions)	502 483	526 333	23 850
Long-term loans to:			
Other local government institutions	0	0	0
Public financial corporations	0	0	0
Public non-financial corporations	0	0	0
Other companies/institutions	521	684	163
Long-term deposits and investments with:			
Banks	1 046 827	1 163 869	117 042
Public financial corporations	15 000	15 000	0
Public non-financial corporations	27 305	29 026	1 721
Other	3 891 635	4 135 380	243 745
Other non-current assets[2]	1 110 036	1 669 956	559 920
Current assets			
Inventory	6 608 155	7 520 938	912 783

[1]Difference (b-a).
[2]Includes suspense accounts and assets not separately listed on the questionnaire.
*Some figures have been revised.

Part 1: Consolidated statement of financial position of municipalities as at 30 June 2017 and 30 June 2018 (concluded)

Assets	2017*(a) R'000	2018(b) R'000	Difference[1] R'000
Short-term loans, deposits and investments			
Short-term loans to:			
Other local government institutions	0	0	0
Public financial corporations	0	0	0
Public non-financial corporations	0	0	0
Other companies/institutions	18 749	16 265	-2 484
Short-term deposits and investments with:			
Banks	30 010 081	32 000 151	1 990 070
Public financial corporations	215	215	0
Public non-financial corporations	0	0	0
Other	3 501 770	4 003 630	501 860
Debtors:			
Consumer debtors	42 381 729	49 286 622	6 904 893
Other debtors (including short-term portion of long-term receivables)	16 151 655	17 192 068	1 040 413
VAT[3] receivable	4 597 787	5 942 884	1 345 097
Pre-paid expenses	1 023 681	475 763	-547 918
Petty cash and bank	14 546 712	13 230 720	-1 315 992
Other current assets[2]	191 650	104 824	-86 826
Total assets	**787 825 467**	**826 240 143**	**38 414 676**

[1]Difference (b-a).
[2]Includes suspense accounts and assets not separately listed on the questionnaire.
[3]VAT – Value added tax.
*Some figures have been revised.

Part 2: The consolidated analysis statement of property, plant and equipment, and other assets as at 30 June 2018

	Carrying value (at the beginning of the year)	Additions (during the year)	Under construction (during the year)	Revaluations (during the year)	Less: Depreciation and amortisation (during the year)	Less: Impairment loss (during the year)	Less: Disposals (during the year)	Add: Accumulated depreciation (disposed assets during the year)	Carrying value (at the end of the year)
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Land and buildings	**82 143 855**	**2 931 495**	**515 249**	**529 058**	**1 974 261**	**576 525**	**409 747**	**2 801**	**83 161 925**
Land	38 881 537	89 217	0	143 144	0	28 066	346 120	0	38 739 712
Buildings	43 262 318	2 842 278	515 249	385 914	1 974 261	548 459	63 627	2 801	44 422 213
Infrastructure assets	**442 905 240**	**25 707 638**	**14 899 567**	**1 952 347**	**19 307 031**	**241 045**	**511 435**	**43 420**	**465 448 701**
Drains	2 965 224	294 259	183 632	0	137 437	610	26	0	3 305 042
Roads	59 692 861	3 530 195	633 647	969 993	3 217 884	11 675	35 120	7 384	61 569 401
Beach empowerments (development)	159 781	15 783	2 637	0	4 719	0	0	0	173 482
Sewerage mains and purifications	28 360 327	824 318	929 091	34 332	1 092 129	2 314	23 081	1 235	29 031 779
Electricity generation	7 875 958	176 712	340 634	0	299 524	403	22 627	14 666	8 085 416
Electricity mains	16 843 530	635 098	236 086	623 580	805 362	13 291	26 277	3 976	17 497 340
Electricity peak loads equipment	6 632 230	651 576	0	0	196 905	62	0	0	7 086 839
Water purification	4 287 631	490 035	64 161	0	224 704	395	1 518	295	4 615 505
Reservoirs-water	1 271 044	236 988	19 779	3 160	83 981	778	371	0	1 445 841
Water meters	458 860	47 429	0	-48 259	35 690	0	82	46	422 304
Water mains	32 578 097	1 078 593	1 639 334	236 014	1 203 206	3 272	14 685	2 349	34 313 224
Other	281 779 697	17 726 652	10 850 566	133 527	12 005 490	208 245	387 648	13 469	297 902 528
Community assets	**43 395 542**	**4 323 717**	**736 438**	**31 426**	**2 833 707**	**90 175**	**37 766**	**784**	**45 526 259**
Parks and gardens	441 871	38 167	186	0	16 303	1	77	0	463 843
Libraries	469 955	47 262	5 179	0	40 255	0	266	0	481 875
Recreation facilities	6 646 929	83 810	72 620	29 406	313 857	145	491	98	6 518 370
Civic buildings	2 558 122	222 842	7 889	-4 749	75 008	558	1 901	100	2 706 737
Other	33 278 665	3 931 636	650 564	6 769	2 388 284	89 471	35 031	586	35 355 434
Heritage assets	**5 757 117**	**738**	**1 846**	**1 710**	**0**	**164 617**	**92**	**0**	**5 596 702**
Historical buildings	3 542 237	157	0	0	0	144 898	3	0	3 397 493
Paintings and art galleries	1 071 307	497	0	0	0	0	21	0	1 071 783
Other	1 143 573	84	1 846	1 710	0	19 719	68	0	1 127 426

Part 2: The consolidated analysis statement of property, plant and equipment, and other assets as at 30 June 2018 (concluded)

	Carrying value (beginning of the year)	Additions (during the year)	Under construction (during the year)	Revaluations (during the year)	Less: Depreciation and amortisation (during the year)	Less: Impairment loss (during the year)	Less: Disposals (during the year)	Add: Accumulated depreciation (disposed assets during the year)	Carrying value (end of the year)
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Housing assets	**3 456 305**	**63 172**	**858 311**	**0**	**113 771**	**0**	**22 131**	**17 813**	**4 259 699**
Housing rental stock	2 135 032	63 172	0	0	97 439	0	21 258	17 813	2 097 320
Other	1 321 273	0	858 311	0	16 332	0	873	0	2 162 379
Leased assets	**612 978**	**74 320**	**0**	**0**	**174 630**	**0**	**27 294**	**4 372**	**489 746**
Other assets	**45 822 214**	**6 383 783**	**1 588 933**	**49 615**	**5 363 283**	**168 421**	**605 603**	**384 553**	**48 091 791**
Landfill sites	2 164 222	387 236	17 272	11 010	170 123	0	12 705	0	2 396 912
Office equipment	603 997	205 544	0	-243	213 490	731	17 979	6 235	583 333
Furniture and fittings	1 183 551	228 472	8	53	309 763	1 205	66 032	54 705	1 089 789
Bins and containers	82 647	31 774	169	0	13 083	0	1 006	350	100 851
Emergency equipment	79 578	15 151	9 525	0	14 135	0	4 920	4 761	89 960
Motor vehicles	3 672 548	993 684	10 607	8 416	724 076	5 907	115 231	59 461	3 899 502
Fire engines	1 391 994	7 461	0	0	187 523	26 190	9 704	21	1 176 059
Refuse tankers	15 807	8 265	0	0	2 388	0	0	0	21 684
Computer equipment	1 457 807	431 890	949	315	495 297	1 025	187 458	176 219	1 383 400
Councillors' regalia	6 543	328	0	0	256	0	0	0	6 615
Conservancy tankers	0	0	0	0	0	0	0	0	0
Water crafts	142	0	0	0	16	0	0	0	126
Plant and other equipment	18 153 009	1 822 101	103 842	1 358	1 048 352	6 872	95 923	65 111	18 994 274
Other	17 010 369	2 251 877	1 446 561	28 706	2 184 781	126 491	94 645	17 690	18 349 286
TOTAL PPE	**624 093 251**	**39 484 863**	**18 600 344**	**2 564 156**	**29 766 683**	**1 240 783**	**1 614 068**	**453 743**	**652 574 823**
Investment property	26 097 071	52 492	114	223 085	71 227	25 430	123 597	164	26 152 672
Intangible assets	4 588 767	1 180 013	52 628	0	956 075	1 047	9 507	595	4 855 374
Biological (cultivated) assets	181 604	3 283	0	22 371	1 396	0	6 177	0	199 685
TOTAL	**654 960 693**	**40 720 651**	**18 653 086**	**2 809 612**	**30 795 381**	**1 267 260**	**1 753 349**	**454 502**	**683 782 554**

Part 3: Consolidated statement of financial performance of municipalities for the years ended 30 June 2017 and 30 June 2018: Expenditure

	Total rates and general services		Total housing and trading services		Grand total		Difference[1]
	2017*	2018	2017*	2018	2017*(a)	2018(b)	
Expenditure	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	57 087 598	62 760 466	31 178 053	34 172 744	88 265 651	96 933 210	8 667 559
Remuneration of board of directors/councillors	3 582 214	4 005 558	0	0	3 582 214	4 005 558	423 344
Interest paid	5 709 269	7 915 775	4 097 571	2 508 123	9 806 840	10 423 898	617 058
Loss on disposal of property, plant and equipment	1 171 583	743 085	397 009	208 788	1 568 592	951 873	-616 719
Bad debts	11 841 531	13 561 244	11 812 850	10 137 871	23 654 381	23 699 115	44 734
Contracted services	13 150 622	12 618 842	12 805 098	15 024 131	25 955 720	27 642 973	1 687 253
Collection costs	542 402	770 873	19 073	30 733	561 475	801 606	240 131
Depreciation and amortisation	13 121 550	14 992 220	16 468 320	15 803 161	29 589 870	30 795 381	1 205 511
Impairment loss (PPE)	726 229	629 653	203 242	637 607	929 471	1 267 260	337 789
Repairs and maintenance	2 367 718	2 370 453	6 120 308	4 905 259	8 488 026	7 275 712	-1 212 314
Bulk purchases:							
Purchases of water	0	0	17 936 082	20 392 440	17 936 082	20 392 440	2 456 358
Purchases of electricity	0	0	75 567 848	74 132 024	75 567 848	74 132 024	-1 435 824
Other bulk purchases	0	0	52 993	34 933	52 993	34 933	-18 060
Grants and subsidies paid to:							
Other local government institutions	353 063	308 183	20 869	152 773	373 932	460 956	87 024
Tertiary institutions of higher learning	0	0	0	0	0	0	0
Households or individuals	899 152	1 209 194	892 472	819 376	1 791 624	2 028 570	236 946
Non-profit institutions serving households	3 422	3 373	0	0	3 422	3 373	-49
Other	1 815 556	2 241 102	1 548 042	1 399 767	3 363 598	3 640 869	277 271
General expenditure:							
Accommodation, travelling and subsistence	833 375	833 878	94 693	110 196	928 068	944 074	16 006
Advertising, promotions and marketing	847 436	748 298	199 852	147 266	1 047 288	895 564	-151 724
Audit fees	944 974	946 935	37 952	67 394	982 926	1 014 329	31 403
Bank charges	337 744	472 588	9 049	24 654	346 793	497 242	150 449
Cleaning services	158 747	124 504	128 493	164 978	287 240	289 482	2 242
Consultancy and professional fees	2 309 459	1 742 511	194 508	415 777	2 503 967	2 158 288	-345 679
Entertainment costs	87 561	88 080	6 541	5 705	94 102	93 785	-317
Fuel and oil	952 629	1 037 859	597 022	661 351	1 549 651	1 699 210	149 559

[1]Difference (b-a).
*Some figures have been revised.

Part 3: Consolidated statement of financial performance of municipalities for the years ended 30 June 2017 and 30 June 2018: Expenditure (concluded)

	Total rates and general services		Total housing and trading services		Grand total		Difference[1]
	2017*	2018	2017*	2018	2017*(a)	2018(b)	
Expenditure	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Hiring of plant and equipment	648 365	646 554	380 686	489 582	1 029 051	1 136 136	107 085
Insurance costs	872 879	827 473	123 807	193 951	996 686	1 021 424	24 738
Pharmaceutical	158 658	173 222	1 060	323	159 718	173 545	13 827
Postal and courier services	271 999	271 094	10 269	8 100	282 268	279 194	-3 074
Printing and stationery	559 541	501 806	77 167	92 347	636 708	594 153	-42 555
Rebates for property rates	2 822 954	2 907 349	0	0	2 822 954	2 907 349	84 395
Rebates for service charges	0	0	673 873	670 637	673 873	670 637	-3 236
Rental of land, buildings and other structures	1 815 711	932 579	100 848	943 598	1 916 559	1 876 177	-40 382
Rental of office equipment	371 050	265 382	31 490	31 884	402 540	297 266	-105 274
Security services	1 162 206	984 828	295 217	612 708	1 457 423	1 597 536	140 113
Subscriptions and membership fees	421 097	431 932	4 701	10 721	425 798	442 653	16 855
Telecommunication services	1 250 479	1 199 174	77 125	172 944	1 327 604	1 372 118	44 514
Training and education	672 741	510 742	61 968	69 818	734 709	580 560	-154 149
Transport costs	206 001	175 094	108 630	54 597	314 631	229 691	-84 940
Other expenditure	12 206 447	14 564 894	9 704 920	10 068 139	21 911 367	24 633 033	2 721 666
Taxation	76 651	259 848	17 394	88 052	94 045	347 900	253 855
Surplus	51 491 399	57 272 841	33 010 998	39 985 119	84 502 397	97 257 960	12 755 563
Total expenditure	**193 852 012**	**212 049 486**	**225 068 093**	**235 449 571**	**418 920 105**	**447 499 057**	**28 578 952**

[1]Difference (b-a).
*Some figures have been revised.

Part 3: Consolidated statement of financial performance of municipalities for the years ended 30 June 2017 and 30 June 2018: Income

	Total rates and general services		Total housing and trading services		Grand total		Difference[1]
	2017*	2018	2017*	2018	2017*(a)	2018(b)	
Income	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from:							
Residential	27 417 328	30 346 981	0	0	27 417 328	30 346 981	2 929 653
Commercial or business	15 529 674	18 941 554	0	0	15 529 674	18 941 554	3 411 880
State	2 381 767	2 706 207	0	0	2 381 767	2 706 207	324 440
Other (includes agricultural, municipal, etc.)	8 993 182	9 244 154	0	0	8 993 182	9 244 154	250 972
Property rates – penalties imposed and collection charges	375 482	340 998	0	0	375 482	340 998	-34 484
Service charges:							
Sales of water	0	0	30 592 616	34 544 873	30 592 616	34 544 873	3 952 257
Sales of electricity	0	0	101 053 004	99 830 061	101 053 004	99 830 061	-1 222 943
Refuse removal charges	0	0	9 765 601	10 570 051	9 765 601	10 570 051	804 450
Sewerage and sanitation charges	0	0	12 575 628	13 843 915	12 575 628	13 843 915	1 268 287
Other service charges (e.g. fresh produce market etc.)	0	0	1 895 715	1 081 861	1 895 715	1 081 861	-813 854
Interest earned from:							
External investments	4 557 198	4 867 482	389 085	384 935	4 946 283	5 252 417	306 134
Outstanding debtors	3 883 804	3 638 065	1 189 221	2 257 889	5 073 025	5 895 954	822 929
Dividends received	3 811	724	0	0	3 811	724	-3 087
Fines	4 484 178	5 069 844	386 670	401 962	4 870 848	5 471 806	600 958
Licences and permits	352 007	452 915	333 127	259 316	685 134	712 231	27 097
Income for agency services	663 814	726 850	1 246 465	1 169 984	1 910 279	1 896 834	-13 445
Rental of facilities and equipment	1 120 659	1 355 138	1 069 027	1 225 261	2 189 686	2 580 399	390 713
Bad debts recovered	162 230	179 046	0	2 172	162 230	181 218	18 988
Public contributions and donations (including PPE)	1 356 923	1 793 031	670 334	800 970	2 027 257	2 594 001	566 744
Gains on the disposal of property, plant and equipment	1 126 604	243 746	160 135	12 723	1 286 739	256 469	-1 030 270
Grants and subsides from:							
National government	42 468 482	47 626 349	11 277 507	12 049 569	53 745 989	59 675 918	5 929 929
Provincial government	0	0	0	0	0	0	0
Local government	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Spent conditional grants	26 762 393	27 383 915	23 719 440	23 542 161	50 481 833	50 926 076	444 243

[1]Difference (b-a).
*Some figures have been revised.

Part 3: Consolidated statement of financial performance of municipalities for the years ended 30 June 2017 and 30 June 2018: Income (concluded)

	Total rates and general services		Total housing and trading services		Grand total		Difference[1]
	2017*	2018	2017*	2018	2017*(a)	2018(b)	
Income	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Other income	10 391 684	12 873 363	4 820 433	4 133 485	15 212 117	17 006 848	1 794 731
Deficit	41 820 792	44 259 124	23 924 085	29 338 383	65 744 877	73 597 507	7 852 630
Total income	**193 852 012**	**212 049 486**	**225 068 093**	**235 449 571**	**418 920 105**	**447 499 057**	**28 578 952**

[1]Difference (b-a).
*Some figures have been revised.

Part 4: Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2017 and 30 June 2018: Expenditure

	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Expenditure	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Employee-related costs	27 474 915	30 632 709	3 368 432	3 711 742	4 706 136	4 654 553	4 305 762	5 008 982	4 071 244	4 709 166
Remuneration of board of directors/councillors	3 582 214	4 005 558	0	0	0	0	0	0	0	0
Interest paid	5 481 606	7 788 518	64 774	38 273	68 526	28 669	17 441	15 947	33 882	25 403
Loss on disposal of property, plant and equipment	1 132 867	716 722	253	791	1 695	1 581	4 414	10 420	30 900	7 496
Bad debts	9 574 471	11 241 218	3 443	2 343	19 492	304 539	96 285	20 435	37 088	7 922
Contracted services	9 256 194	8 115 625	110 295	123 283	761 902	804 674	565 260	696 961	925 206	837 109
Collection costs	484 270	714 003	0	454	0	0	19	0	283	1
Depreciation and amortisation	10 261 530	12 105 071	186 975	93 064	1 312 715	1 288 380	567 423	601 000	344 144	360 198
Impairment loss (PPE)	723 918	607 894	0	19	855	8 640	634	7 884	3	3 920
Repairs and maintenance	1 664 950	1 693 303	26 763	20 765	147 053	344 748	120 912	38 044	44 820	117 629
Grants and subsidies paid to:										
Other local government institutions	214 743	278 234	355	247	0	0	11 634	3 465	123 892	22 733
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0	0	0
Households or individuals	880 298	1 194 248	0	0	1 072	247	11 432	11 047	545	2 386
Non-profit institutions serving households	3 422	3 373	0	0	0	0	0	0	0	0
Other	1 340 728	1 826 583	11 315	9 013	93 744	53 141	53 365	49 592	291 534	286 949
General expenditure:										
Accommodation, travelling and subsistence	681 370	687 363	6 052	8 078	18 631	8 156	37 576	36 553	50 596	54 913
Advertising, promotions and marketing	747 798	606 102	890	6 860	3 700	33 653	21 496	22 530	68 625	71 330
Audit fees	939 186	939 954	0	0	172	1 514	36	7	2 487	4 655
Bank charges	336 064	471 035	0	9	375	718	7	113	540	422
Cleaning services	128 957	92 753	2 775	3 309	18 547	20 028	5 280	5 232	425	373
Consultancy and professional fees	2 156 965	1 549 554	57 131	61 733	3 882	14 621	13 791	6 343	54 434	89 877

*Some figures have been revised.

Part 4: Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2017 and 30 June 2018: Expenditure (continued)

	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Expenditure	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	80 030	81 025	110	51	141	998	3 797	1 257	1 868	3 287
Fuel and oil	656 918	744 421	8 753	10 084	73 990	67 042	21 444	24 878	6 689	7 280
Hiring of plant and equipment	578 658	565 827	1 174	3 908	9 153	7 859	29 716	22 577	11 537	14 467
Insurance costs	842 533	799 063	3 287	428	8 180	6 608	4 772	7 804	3 015	3 673
Pharmaceutical	286	119	157 414	172 446	229	50	206	14	48	57
Postal and courier services	251 604	253 853	1 663	83	820	58	3 392	564	2 542	442
Printing and stationery	441 457	378 548	19 275	23 057	8 532	8 757	25 661	29 048	27 038	26 539
Rebates for property rates	2 822 954	2 907 349	0	0	0	0	0	0	0	0
Rental of land, buildings and other structures	1 770 373	716 165	1 479	7 413	273	3 251	18 613	26 987	17 007	18 140
Rental of office equipment	289 118	233 146	1 194	1 717	3 266	3 380	25 923	10 211	22 857	7 237
Security services	812 063	479 960	29 336	29 069	104 868	174 842	95 182	101 361	31 461	15 069
Subscriptions and membership fees	396 177	412 235	2 859	1 209	1 763	774	8 609	3 983	4 747	4 470
Telecommunication services	1 180 486	1 124 560	8 532	9 131	8 043	11 743	15 065	15 278	11 641	12 389
Training and education	612 747	454 339	6 833	6 227	6 295	9 160	10 194	10 304	12 575	9 536
Transport costs	167 094	146 291	345	164	7 054	6 506	4 007	7 002	16 562	10 447
Other expenditure	7 599 235	10 900 177	347 758	253 193	1 135 102	949 245	603 238	669 824	1 012 855	829 232
Taxation	76 651	259 848	0	0	0	0	0	0	0	0
Surplus	48 985 568	54 008 042	938	17 452	6 520	78 578	199 005	465 318	834 757	1 290 579
Total expenditure	**144 630 418**	**159 734 788**	**4 430 403**	**4 615 615**	**8 532 726**	**8 896 713**	**6 901 591**	**7 930 965**	**8 097 847**	**8 855 326**

*Some figures have been revised.

Part 4: Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2017 and 30 June 2018: Expenditure (continued)

	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Expenditure	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	6 472 470	7 331 692	4 286 902	4 299 322	1 433 771	1 490 687	967 966	921 613
Remuneration of board of directors/councillors	0	0	0	0	0	0	0	0
Interest paid	17 622	2 746	11 143	6 371	4 620	1 707	9 655	8 141
Loss on disposal of property, plant and equipment	492	1 993	110	2 942	809	1 061	43	79
Bad debts	2 027 638	1 938 728	36 577	13 154	23 270	32 905	23 267	0
Contracted services	887 580	1 158 567	113 206	143 396	340 660	374 089	190 319	365 138
Collection costs	57 830	56 415	0	0	0	0	0	0
Depreciation and amortisation	72 376	77 645	79 008	173 608	72 247	52 231	225 132	241 023
Impairment loss (PPE)	250	1 093	488	111	81	92	0	0
Repairs and maintenance	93 458	58 772	128 836	60 838	27 701	15 675	113 225	20 679
Grants and subsidies paid to:								
Other local government institutions	0	0	504	1 997	1 935	1 507	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households or individuals	4 253	0	133	147	1 419	188	0	931
Non-profit institutions serving households	0	0	0	0	0	0	0	0
Other	15 091	448	1 578	1 065	1 019	2 205	7 182	12 106
General expenditure:								
Accommodation, travelling and subsistence	18 083	17 126	6 031	5 879	3 645	4 730	11 391	11 080
Advertising, promotions and marketing	2 061	1 796	511	1 868	1 163	844	1 192	3 315
Audit fees	1 453	805	267	0	0	0	1 373	0
Bank charges	99	147	37	46	73	98	549	0
Cleaning services	434	1 014	1 502	1 342	604	247	223	206
Consultancy and professional fees	2 802	10 075	2 578	2 842	7 697	783	10 179	6 683

*Some figures have been revised.

Part 4: Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2017 and 30 June 2018: Expenditure (concluded)

	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Expenditure	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	206	235	189	539	811	1	409	687
Fuel and oil	89 373	98 881	38 632	31 960	34 239	35 838	22 591	17 475
Hiring of plant and equipment	3 698	6 251	247	3 904	12 025	10 915	2 157	10 846
Insurance costs	2 497	2 445	4 252	5 845	732	827	3 611	780
Pharmaceutical	305	368	3	1	167	167	0	0
Postal and courier services	11 510	15 959	189	11	209	40	70	84
Printing and stationery	23 507	24 403	7 054	6 613	4 992	3 324	2 025	1 517
Rebates for property rates	0	0	0	0	0	0	0	0
Rental of land, buildings and other structures	718	119 100	3 742	36 919	3 451	4 499	55	105
Rental of office equipment	4 715	2 913	1 644	852	1 695	57	20 638	5 869
Security services	47 240	134 247	10 370	12 181	31 110	37 113	576	986
Subscriptions and membership fees	2 653	459	1 434	941	2 061	2 680	794	5 181
Telecommunication services	9 851	8 994	8 387	9 092	3 737	3 088	4 737	4 899
Training and education	7 009	5 906	10 361	10 014	4 792	3 069	1 935	2 187
Transport costs	5 645	2 256	3 791	1 506	80	624	1 423	298
Other expenditure	612 649	385 317	247 376	226 339	245 412	78 753	402 822	272 814
Taxation	0	0	0	0	0	0	0	0
Surplus	582 314	907 626	6 141	1 520	45 482	127 230	830 674	376 496
Total expenditure	**11 077 882**	**12 374 422**	**5 013 223**	**5 063 165**	**2 311 709**	**2 287 274**	**2 856 213**	**2 291 218**

*Some figures have been revised.

Part 4: Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2017 and 30 June 2018: Income

	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Income	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Property rates from:										
Residential	27 417 327	30 346 980	0	0	0	0	1	1	0	0
Commercial or business	15 529 674	18 941 554	0	0	0	0	0	0	0	0
State	2 381 767	2 706 207	0	0	0	0	0	0	0	0
Other (includes agricultural, municipal, etc.)	8 993 182	9 244 154	0	0	0	0	0	0	0	0
Property rates – penalties imposed and collection charges	375 482	340 998	0	0	0	0	0	0	0	0
Interest earned from:										
External investments	4 551 217	4 847 106	0	0	52	6	186	12 234	5 670	8 120
Outstanding debtors	3 879 302	3 614 241	25	0	0	0	123	16 462	2 354	3 202
Dividends received	3 811	593	0	0	0	0	0	0	0	131
Fines	378 552	790 999	440	56	874	5 315	35 863	54 166	2 639	30 470
Licences and permits	95 800	146 593	655	3 790	707	816	27 820	22 409	9 708	44 428
Income for agency services	544 627	580 333	0	0	0	0	15 593	19 519	15 927	4 241
Rental of facilities and equipment	773 235	1 058 887	1 737	2 261	193 499	146 341	79 717	77 915	46 682	47 176
Bad debts recovered	162 230	179 046	0	0	0	0	0	0	0	0
Public contributions and donations (including PPE)	1 040 111	1 515 398	964	222 464	7 866	4 328	29 436	36 564	268 386	222
Gains on the disposal of property, plant and equipment	1 113 791	233 504	54	15	753	3 616	7 660	152	3 457	6 342

*Some figures have been revised.

Part 4: Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2017 and 30 June 2018: Income (continued)

	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Income	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Grants and subsidies from:										
National government	41 059 383	45 176 929	19 723	100 027	150 196	137 669	431 543	822 233	379 093	784 485
Provincial government	0	0	0	0	0	0	0	0	0	0
Local government	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Spent conditional grants	22 267 507	22 477 607	978 393	1 105 427	164 908	197 386	590 282	613 688	1 387 058	2 140 870
Other income	8 738 444	11 242 158	27 953	28 577	227 543	236 434	173 784	219 732	839 876	768 091
Deficit	5 324 976	6 291 501	3 400 459	3 152 998	7 786 328	8 164 802	5 509 583	6 035 890	5 136 997	5 017 548
Total income	**144 630 418**	**159 734 788**	**4 430 403**	**4 615 615**	**8 532 726**	**8 896 713**	**6 901 591**	**7 930 965**	**8 097 847**	**8 855 326**

*Some figures have been revised.

Part 4: Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2017 and 30 June 2018: Income (continued)

	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Income	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Property rates from:								
Residential	0	0	0	0	0	0	0	0
Commercial or business	0	0	0	0	0	0	0	0
State	0	0	0	0	0	0	0	0
Other (includes agricultural, municipal, etc.)	0	0	0	0	0	0	0	0
Property rates – penalties imposed and collection charges	0	0	0	0	0	0	0	0
Interest earned from:								
External investments	7	0	0	0	0	0	66	16
Outstanding debtors	0	16	1 324	1 690	459	752	217	1 702
Dividends received	0	0	0	0	0	0	0	0
Fines	3 925 509	3 954 013	100	338	140 201	234 369	0	118
Licences and permits	197 220	211 026	2 136	7 102	17 933	16 118	28	633
Income for agency services	84 491	106 000	0	0	3 176	13 652	0	3 105
Rental of facilities and equipment	455	1 537	575	1 075	8 095	1 363	16 664	18 583
Bad debts recovered	0	0	0	0	0	0	0	0
Public contributions and donations (including PPE)	4 396	3 713	910	3 297	4 854	6 938	0	107
Gains on the disposal of property, plant and equipment	44	10	136	42	57	65	652	0

*Some figures have been revised.

Part 4: Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2017 and 30 June 2018: Income (concluded)

	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Income	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Grants and subsidies from:								
National government	65 353	162 602	93 044	131 402	48 212	60 330	221 935	250 672
Provincial government	0	0	0	0	0	0	0	0
Local government	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Spent conditional grants	22 890	37 616	237 966	329 078	92 255	37 986	1 021 134	444 257
Other income	118 823	117 837	114 447	126 775	30 771	75 107	120 043	58 652
Deficit	6 658 694	7 780 052	4 562 585	4 462 366	1 965 696	1 840 594	1 475 474	1 513 373
Total income	**11 077 882**	**12 374 422**	**5 013 223**	**5 063 165**	**2 311 709**	**2 287 274**	**2 856 213**	**2 291 218**

*Some figures have been revised.

Part 5: Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2017 and 30 June 2018: Expenditure

	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Expenditure	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Employee-related costs	1 361 107	1 562 751	977 304	1 476 849	5 813 994	6 051 023	2 675 446	2 844 041
Interest paid	197 244	145 206	2 746	1 223	318 127	403 841	439 597	327 024
Loss on disposal of property, plant and equipment	14 125	12 464	3 106	123	3 544	8 393	1 179	2 771
Bad debts	448 630	311 125	31 044	31 194	594 536	943 037	445 343	802 844
Contracted services	890 886	1 299 080	76 725	187 567	1 938 485	2 514 048	1 604 613	1 889 608
Collection costs	9 026	6 328	0	0	147	314	298	13 475
Depreciation and amortisation	772 247	1 007 534	16 829	51 105	546 629	629 059	1 517 307	1 641 076
Impairment loss (PPE)	143 728	7 671	0	346	20 011	1 040	14 631	6 347
Repairs and maintenance	97 123	394 788	15 362	108 744	279 483	227 255	303 318	202 308
Bulk purchases:								
Purchases of water	0	0	0	0	0	0	0	0
Purchases of electricity	0	0	0	0	0	0	0	0
Other bulk purchases	0	0	0	0	3 819	0	43 614	11 157
Grants and subsidies paid to:								
Other local government institutions	0	0	0	379	0	0	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households or individuals	164 279	168 007	0	0	88 249	81 251	119 759	76 083
Non-profit institutions serving households	0	0	0	0	0	0	0	0
Other	479 657	304 464	901	4 771	14 211	10 100	912	31 578
General expenditure:								
Accommodation, travelling and subsistence	6 224	6 675	5 316	7 776	5 367	6 966	3 572	4 528
Advertising, promotions and marketing	3 364	2 472	270	2 771	2 004	4 717	514	487
Audit fees	6 873	2 312	0	0	3 118	11 902	1 458	1 829
Bank charges	119	3 863	3	0	29	86	46	52
Cleaning services	16 437	23 838	170	218	41 787	56 434	23 642	24 326
Consultancy and professional fees	49 423	62 932	2 562	5 138	28 421	28 510	10 774	2 722

*Some figures have been revised.

Part 5: Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2017 and 30 June 2018: Expenditure (continued)

	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Expenditure	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	194	71	17	10	401	425	8	427
Fuel and oil	7 999	7 934	7 002	22 779	119 462	125 320	35 264	41 081
Hiring of plant and equipment	4 185	5 708	1 326	2 859	50 274	45 227	29 294	98 496
Insurance costs	10 897	11 427	239	739	4 126	3 982	4 853	2 593
Pharmaceutical	10	1	17	32	162	11	308	178
Postal and courier services	5 023	3 696	49	5	161	486	681	533
Printing and stationery	9 845	9 813	2 983	3 606	5 051	6 798	3 447	2 528
Rebates for service charges	0	0	0	0	118 786	124 614	133 435	136 815
Rental of land, buildings and other structures	51 721	71 064	136	321	2 697	21 216	2 117	21 704
Rental of office equipment	4 104	5 398	78	641	9 568	9 051	1 865	1 126
Security services	69 179	71 108	10 533	13 833	26 727	70 281	33 681	36 922
Subscriptions and membership fees	740	893	264	607	420	258	438	624
Telecommunication services	9 618	7 061	3 543	5 796	4 928	6 896	4 724	4 849
Training and education	3 436	4 964	4 712	1 169	4 654	8 330	6 388	6 440
Transport costs	565	470	1 019	2 865	23 254	5 345	2 558	6 052
Other expenditure	830 937	896 276	172 538	123 755	1 798 881	1 834 767	765 877	1 112 427
Taxation	0	39 636	0	0	0	0	0	0
Surplus	1 335 888	1 536 487	4 230	997 615	2 768 104	3 187 445	9 146 143	8 924 247
Total expenditure	**7 004 833**	**7 993 517**	**1 341 024**	**3 054 836**	**14 639 617**	**16 428 428**	**17 377 104**	**18 279 298**

*Some figures have been revised.

Part 5: Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2017 and 30 June 2018: Expenditure (continued)

	Road transport		Water		Electricity		Other trading services	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Expenditure	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	5 898 098	6 784 035	7 140 269	7 667 583	6 513 120	6 935 582	798 715	850 880
Interest paid	403 446	228 291	694 645	565 308	1 947 683	832 809	94 083	4 421
Loss on disposal of property, plant and equipment	6 458	99 623	328 936	64 548	19 603	20 517	20 058	349
Bad debts	324 566	244 697	5 930 425	5 229 967	4 006 878	2 355 747	31 428	219 260
Contracted services	3 399 165	3 284 645	2 267 058	3 208 445	2 212 692	2 412 087	415 474	228 651
Collection costs	852	3 783	565	1 446	8 185	5 387	0	0
Depreciation and amortisation	7 209 935	6 085 040	3 007 439	2 980 461	2 988 780	3 164 317	409 154	244 569
Impairment loss (PPE)	9 036	138 658	2 269	8 164	10 840	5 027	2 727	470 354
Repairs and maintenance	2 244 228	1 254 326	1 158 000	1 058 673	1 974 996	1 632 019	47 798	27 146
Bulk purchases:								
Purchases of water	0	0	17 936 082	20 392 440	0	0	0	0
Purchases of electricity	0	0	0	0	75 567 848	74 132 024	0	0
Other bulk purchases	0	0	0	0	0	0	5 560	23 776
Grants and subsidies paid to:								
Other local government institutions	0	135 435	20 869	12 906	0	0	0	4 053
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households or individuals	22 688	1 253	309 183	301 450	188 314	191 332	0	0
Non-profit institutions serving households	0	0	0	0	0	0	0	0
Other	104 984	21 720	539 309	851 089	321 132	148 793	86 936	27 252
General expenditure:								
Accommodation, travelling and subsistence	18 793	22 341	34 294	42 118	10 616	12 733	10 511	7 059
Advertising, promotions and marketing	10 432	30 501	26 269	23 524	6 685	5 084	150 314	77 710
Audit fees	2 411	9 536	5 928	16 674	15 102	18 474	3 062	6 667
Bank charges	2 712	5 578	284	934	3 032	4 188	2 824	9 953
Cleaning services	26 524	21 355	6 100	11 585	4 785	5 317	9 048	21 905
Consultancy and professional fees	43 069	113 960	28 078	68 650	26 433	116 857	5 748	17 008

*Some figures have been revised.

Part 5: Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2017 and 30 June 2018: Expenditure (concluded)

	Road transport		Water		Electricity		Other trading services	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Expenditure	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	4 434	320	725	3 194	297	812	465	446
Fuel and oil	194 327	234 017	162 409	168 032	58 403	58 351	12 156	3 837
Hiring of plant and equipment	26 240	45 332	183 152	146 366	1 633	28 562	84 582	117 032
Insurance costs	29 905	66 535	9 062	11 484	46 389	95 192	18 336	1 999
Pharmaceutical	36	10	297	55	229	36	1	0
Postal and courier services	56	162	2 854	1 235	1 398	1 969	47	14
Printing and stationery	26 621	31 753	11 920	14 545	13 039	16 531	4 261	6 773
Rebates for service charges	0	0	190 143	164 113	231 509	245 095	0	0
Rental of land, buildings and other structures	10 041	143 464	13 052	661 888	14 320	17 439	6 764	6 502
Rental of office equipment	7 270	5 906	4 847	7 014	3 168	1 995	590	753
Security services	71 353	146 466	49 509	130 817	26 181	113 423	8 054	29 858
Subscriptions and membership fees	831	2 199	486	2 059	945	2 369	577	1 712
Telecommunication services	11 495	29 651	12 395	27 819	26 181	86 464	4 241	4 408
Training and education	7 576	14 887	28 065	20 884	5 348	8 987	1 789	4 157
Transport costs	34 071	9 130	33 129	23 738	12 124	5 434	1 910	1 563
Other expenditure	1 806 870	1 781 112	2 445 298	2 260 817	1 542 108	1 907 189	342 411	151 796
Taxation	0	1 802	0	0	0	46 179	17 394	435
Surplus	1 115 448	1 775 349	6 517 561	8 545 547	10 858 218	13 901 499	1 265 406	1 116 930
Total expenditure	**23 073 971**	**22 772 872**	**49 100 906**	**54 695 572**	**108 668 214**	**108 535 820**	**3 862 424**	**3 689 228**

*Some figures have been revised.

Part 5: Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2017 and 30 June 2018: Income

	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Income	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Service charges:								
Sales of water	0	0	0	0	0	0	0	0
Sales of electricity	0	0	0	0	0	0	0	0
Refuse removal charges	0	0	0	0	9 765 601	10 570 051	0	0
Sewerage and sanitation charges	0	0	0	0	0	0	12 575 628	13 843 915
Other service charges (e.g. fresh produce market etc.)	0	0	0	0	0	0	0	0
Interest earned from:								
External investments	64 553	69 923	31 330	30 788	20 456	14 654	0	0
Outstanding debtors	9 453	8 147	61	6 730	128 917	215 022	139 798	278 405
Dividends received	0	0	0	0	0	0	0	0
Fines	68	556	25	168	4 961	4 945	5 137	5 157
Licences and permits	523	538	5 484	11 918	3 485	294	0	5 073
Income for agency services	0	0	1 507	1 099	2 969	3 577	0	0
Rental of facilities and equipment	665 109	712 266	2 761	3 018	8 057	6 533	2 389	3 359
Bad debts recovered	0	0	0	0	0	50	0	52
Public contributions and donations (including PPE)	24 110	3 339	507	685	4 501	591 563	43 975	4 473
Gains on the disposal of property, plant and equipment	155 395	5 554	1	122	69	29	113	99
Grants and subsidies from:								
National government	781 391	801 764	37 717	64 693	1 476 810	1 280 834	1 742 847	2 074 850
Provincial government	0	0	0	0	0	0	0	0
Local government	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Spent conditional grants	4 457 716	4 850 957	76 247	1 050 559	774 947	1 356 274	1 935 025	1 207 373
Other income	179 127	96 446	75 750	100 145	538 135	534 513	387 283	237 715
Deficit	667 388	1 444 027	1 109 634	1 784 911	1 910 709	1 850 089	544 909	618 827
Total income	**7 004 833**	**7 993 517**	**1 341 024**	**3 054 836**	**14 639 617**	**16 428 428**	**17 377 104**	**18 279 298**

*Some figures have been revised.

Part 5: Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2017 and 30 June 2018: Income (concluded)

	Road transport		Water		Electricity		Other trading services	
	2017*	2018	2017*	2018	2017*	2018	2017*	2018
Income	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Service charges:								
Sales of water	0	0	30 592 616	34 544 873	0	0	0	0
Sales of electricity	0	0	0	0	101 053 004	99 830 061	0	0
Refuse removal charges	0	0	0	0	0	0	0	0
Sewerage and sanitation charges	0	0	0	0	0	0	0	0
Other service charges (e.g. fresh produce market, etc.)	0	0	0	0	0	0	1 895 715	1 081 861
Interest earned from:								
External investments	17 598	10 287	117 366	133 433	76 236	76 718	61 546	49 132
Outstanding debtors	266	1 892	644 009	1 381 833	266 040	364 016	677	1 844
Dividends received	0	0	0	0	0	0	0	0
Fines	299 368	241 137	890	95 428	76 155	54 423	66	148
Licences and permits	312 041	231 210	1 421	1 458	0	0	10 173	8 825
Income for agency services	1 240 174	784 654	1 814	1 122	0	11 738	1	367 794
Rental of facilities and equipment	166 054	171 907	10 843	9 716	9 290	10 215	204 524	308 247
Bad debts recovered	0	0	0	268	0	1 802	0	0
Public contributions and donations (including PPE)	160 144	39 002	203 892	25 682	225 921	123 230	7 284	12 996
Gains on the disposal of property, plant and equipment	783	2 449	960	1 858	2 813	2 609	1	3
Grants and subsidies from:								
National government	845 901	1 262 892	4 720 475	4 529 060	1 651 264	2 017 196	21 102	18 280
Provincial government	0	0	0	0	0	0	0	0
Local government	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Spent conditional grants	8 613 379	6 991 228	5 631 613	5 472 870	1 994 986	2 134 296	235 527	478 604
Other income	580 903	666 846	858 435	746 986	1 389 938	1 144 415	810 862	606 419
Deficit	10 837 360	12 369 368	6 316 572	7 750 985	1 922 567	2 765 101	614 946	755 075
Total income	**23 073 971**	**22 772 872**	**49 100 906**	**54 695 572**	**108 668 214**	**108 535 820**	**3 862 424**	**3 689 228**

*Some figures have been revised.

Explanatory notes

Introduction

The purpose of this census is to provide both stakeholders and users with information that allows analysis and assessment of the state of municipal finances.

The publication consists of aggregated preliminary data for 2018 and revised data for 2017 in respect of:

- the consolidated statement of financial position of municipalities;
- the consolidated analysis statement of property, plant and equipment, and other assets as at 30 June 2018;
- 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.

Unit data (for each municipality) for 2017 and 2018 are available on Stats SA's website.

Scope of census of municipalities

All 257 institutions defined as local government institutions in terms of the Municipal Act, 1998 (Act No. 117 of 1998), Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), Local Government Transition Act, 1993 (Act No. 209 of 1993) and Local Government Transitional Act, Second Amendment Act, 1996 (Act No. 97 of 1996) were included in this survey. The questionnaire for this survey was designed to address primarily the national accounts requirements of Statistics South Africa and the South African Reserve Bank.

Classification and accounting standards

For the purposes of classification of local government institutions according to activities, Stats SA used the *Standard Industrial Classification of all Economic Activities* (SIC), Fifth edition, January 1993. Activities of the local government institutions also adhere to the General Accepted Municipal Accounting Practice (GAMAP), Generally Recognised Accounting Practice (GRAP). Questionnaires have been designed to take into account these new accounting standards adopted by municipalities.

The Municipal Standard Chart of Accounts (mSCOA) was initially rolled out (piloted-tested) in 2016 in some municipalities. mSCOA was implemented in all municipalities from the beginning of the 2017 municipal financial year. 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.

Imputation

All municipalities submitted the questionnaires for 2017/2018 financial year. However, the four municipalities that did not submit AFS (see technical note on page 2) did not complete Part 1 of the questionnaire, which is the statement of financial position. Item imputation therefore was done for all the variables in that part using the cold deck imputation method. Thus the same figures that were reported in 2017 were used for 2018 for those municipalities (only for Part 1 - assets, liabilities and net assets).

Statistical unit

The statistical unit for the collection of information was the municipality.

Comparability with previous Census

This financial census of municipalities for the year ended 30 June 2018 is generally comparable with the publication for the year ended 30 June 2017.

Related publications	Users may wish to refer to the following Stats SA publications: • P9110 *Quarterly financial statistics of municipalities;* • P9101 Capital expenditure by the public sector; • P9114 *Financial census of municipalities (previous publications);* • P9115 Non-*Financial census of municipalities;* • P0277 *Quarterly employment statistics;* • P9119.4 *Financial statistics of consolidated general government;* and • P0441 *Gross domestic product.*

Symbols and abbreviations used

*	Some figures have been revised
0	Nil or not applicable
AFS	Annual Financial Statements
COID	Compensation for Occupational Injuries and Diseases
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
INCA	Infrastructure Finance Corporation Ltd
mSCOA	Municipal Standard Chart of Accounts
Stats SA	Statistics South Africa

Revision of data

Information for 2018 should be regarded as preliminary, and may be revised. The revised figures are due to late submission of the data to Stats SA or respondents reporting revisions. The latter are normally the result of post-balance sheet events (events that occur between the balance sheet date and date on which the financial statements are approved by the municipal council) as well as through auditing of the financial statements. mSCOA classifications also have an impact on the 2017 revised figures.

Fluctuations between 2017* and 2018

The fluctuations in the data between 2017 and 2018 can be due to:

- Revisions due to late responses or revisions from respondents;
- Municipalities acquiring or disestablishing entities; and/or
- mSCOA classifications.

Rounding-off of figures

Slight discrepancies may occur between sum of the component items and totals where figures have been rounded off.

Glossary of selected variables

Acid test ratio	The acid test ratio is calculated as current assets minus inventory divided by current liabilities. The accepted acid test ratio is considered to be 1:1. In other words, the entity is able to meet its current credit obligations without disposing of its inventory.
Biological (cultivated) assets	Biological or cultivated assets are livestock for breeding (including fish and poultry), dairy, draught, etc., and vineyards, orchards and other plantations of trees yielding repeat products that are under the direct control, responsibility and management of municipalities.
Capital replacement reserve (CRR)	In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/deficit to the CRR in terms of a council resolution. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and he accumulated surplus/deficit is credited by a corresponding amount when the amounts in the CRR are utilised. The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.
Capitalisation reserve	On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a capitalisation reserve instead of the accumulated surplus/deficit in terms of a directive (budget circular) issued by National Treasury. The purpose of this reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/deficit. The balance on the capitalisation reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the capitalisation reserve to the accumulated surplus/deficit. When an item of property, plant and equipment is disposed, the balance in the capitalisation reserve relating to such item is transferred to the accumulated surplus/deficit.
COID Reserve	This is money set aside for injuries, disablements, diseases and deaths caused by work-related activities. It is usually transferred from accumulated surplus account.
Consolidated statement of financial performance	The aggregate or consolidated statement of financial performance 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.
Consolidated statement of financial position	The aggregate or consolidated statement of financial position reports the entity's financial position at a specific point in time (the end of the reporting period). This statement covers all assets, net assets and liabilities at the end of the financial year.
Current assets	Current assets consist of inventories; external short-term loans, deposits and investments; debtors; prepaid expenses; petty cash and bank.
Current expenditure	Current expenditure refers to transactions that decrease the net worth of the entity, including interest paid, compensation of employees, grants and subsidies paid, and depreciation, but excluding the consumption of fixed capital. It consists of the total expenditure of rates and general services (excluding the surplus), the total expenditure on housing and trading services (excluding the surplus).
Current liabilities	Current liabilities consist of external short-term loans and deposits; unspent conditional grants; current provisions; short-term leases; value added tax; bank overdraft; and creditors.

Current ratio

The current ratio is calculated as current assets divided by current liabilities. This ratio measures the extent to which current or short-term assets can be disposed to liquidate the current or short-term liabilities.

Depreciation and amortisation

Depreciation is the deduction for the reasonable allowance for the wear and tear of long-term tangible assets, and amortisation is the deduction for the reasonable allowance for the wear and tear of intangible assets.

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 (Act No. 117 of 1998)).

Donation and public contribution reserve

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/deficit to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/deficit.

The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions. When an item of property, plant and equipment financed from government grants is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/deficit.

Employee-related costs

Compensation of employees includes payment to full-time and part-time employees irrespective of whether the remuneration is paid out of revenue, capital or any other account.

Compensation of employees also includes:

- 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 contributions 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 clothing and allowances (clothing, boots, overalls, etc., supplied to uniformed employees).

Note: Allowances to councillors are treated separately for the purpose of this census.

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.

Government grant reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/deficit to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/deficit. The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant-funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/deficit. When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/deficit.

Housing

Housing includes all activities associated with the provision of housing.

Housing development fund

The housing development fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a housing development fund. Housing selling schemes both complete and in progress as at 1 April 1998, were also transferred to the housing development fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the housing development fund. Monies outstanding to the credit of the housing development fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial Member of Executive Committee responsible for housing.

Investment property

Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both.

Examples of investment property: [IAS 40.8]

- land held for long-term capital appreciation;
- land held for undetermined future use;
- building leased out under an operating lease;
- vacant building held to be leased out under an operating lease; and
- property that is being constructed or developed for future use as investment property.

Intangible assets

Intangible assets refer to assets that cannot be touched, weighed or physically measured and include:

- mineral exploration rights;
- computer software; and
- patent, copyright, brand names and trademarks.

Local municipality

Local municipality refers to a municipality that shares a municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality. Refer to the Local Government: Municipal Structures Act (Act No.117 of 1998).

Long-term loans

Long-term loans are loans with an outstanding maturity of more than one year.

Marketable loan stock

Marketable loan stock refers to stocks, debentures and similar debt instruments that are freely negotiable, i.e. securities for which transfer registers are kept and which are usually listed on the stock exchange. Discounts originating with the issue of stocks below par are included in the stock liability.

Metropolitan municipality

Metropolitan municipality means an institution 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 A municipality (refer to the Local Government: Municipal Structures Act (Act No. 117 of 1998)).

Money market instruments

Money market instruments include bankers' acceptance, trade bills, and promissory notes, capital project bills, bridging debentures, negotiable certificates of deposits, Land Bank bills, Land Bank and the South African Reserve Bank's debentures.

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 including district, local and metropolitan municipalities. Municipalities as an institution consist of a municipal council (elected political representatives) and the municipal administration (appointed officials).

Net carrying value

Net carrying value (also known as the book value or carrying value) is the value of an asset according to its balance sheet, which is the original acquisition cost less accumulated depreciation, amortisation or impairment costs made against the asset and disposals if any.

Other expenditure

The following, among other items, are included in 'other expenditure':
- administration charges/fees;
- books and magazines;
- conference expenses;
- consumables;
- industrial council levies;
- inter-departmental charges/fees;
- legal fees;
- licences and trade licences;
- materials and stores;
- project fees;
- protective clothing; and
- sundries.

Other Income

The following, among other items, are included in 'Other income':
- administration charges;
- commission received;
- discount received;
- fees (events applications, burial, admission, photostats, building plans, etc.;
- levies i.e. environmental; and
- sundry income.

Property, plant and equipment

Property, plant and equipment are tangible assets which are not easily convertible into cash, and held by entities for their own use and as income generators or for rental to others that the entities anticipate using during more than one period.

Provision

Provision is ny amount set aside for the purpose of meeting the following:

- specific requirements where the amounts thereof can be closely estimated; and
- specific commitments and contingencies as at the date of the balance sheet,
- where the amounts involved cannot be determined with significant accuracy.

Provision includes:

- bad debts; and
- leave payouts.

Public corporations	Public corporations comprise public non-financial corporations and public financial corporations. Public non-financial corporations consist of residential non-financial corporations and quasi corporations that are subject to control by government units which sell industrial or commercial goods and services to the public on a large scale. Public financial corporations consist of all corporations, quasi-corporations, and non-profit institutions (NPIs) principally engaged in financial intermediation or in auxiliary financial activities closely related to financial intermediation.
Rates and general services	Rates and general services include executive and council (all costs for mayoral, council and committee expenses, municipal manager, town secretary and chief executive), finance and administration (finance, human resources, information technology, property services, other administration like security services, legal services, fleet management, asset management, procurement etc.), planning and development (economic planning and development, town planning, corporate-wide strategic planning [IDPs, LEDs etc.], building regulations and enforcement, city engineer), health (clinics, ambulance, other including health inspection), community and social services (libraries and archive, museums and art galleries etc., community halls and facilities, cemeteries and crematoriums, child care, aged care and other community), public safety (police forces and traffic, fire, civil defence and other like disaster management), sport and recreation (community parks [including nurseries], sports grounds and stadiums, swimming pools, beaches, lakes, dams and jetties for recreation, camping sites etc.). These services are not economically self-supporting and are financed by imposing property rates, the receipt of grants and subsidies and other contributions.
Repairs and maintenance	Repairs and maintenance include all expenditure on repairs and maintenance of the various assets of the department. 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 sub-division, 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.
Reserve	Reserve denotes amounts set aside out of surpluses that are not designed to meet any liability, contingency, commitment or diminution in the value of assets known to exist as at the date of the balance sheet.
Revaluation reserve	The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/deficit. On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on devalued amounts, are credited or charged to the Statement of Financial Performance.
Self-insurance reserve	The municipality has a self-insurance reserve amount set aside to offset potential losses or claims that cannot be insured externally (adapt to specific circumstances). The balance of the self-insurance reserve is determined based on 5% of the insurance risk carried by the municipality.
Trading services	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). These include waste management (refuse removal, solid waste disposal (landfill sites), street cleaning, recycling etc.), waste water management (sewerage, storm water management and public toilets), water (water distribution, water storage), electricity (electricity distribution, electricity generation, street lighting) etc.

Value Added Tax This is taxation imposed in respect of the supply of goods and services. It is collected in stages by enterprises but is ultimately charged in full to the final purchasers.

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 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 on-line 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

Forthcoming issues	Issue	Expected release date
	Financial census of municipalities	June 2020

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