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Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

Private Bag X44, Pretoria, 0001, South Africa, ISibalo House, Koch Street, Salvokop, Pretoria, 0002
www.statssa.gov.za, info@statssa.gov.za, Tel +27 12 310 8911

Statistical release

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Financial census of municipalities

for the year ended 30 June 2019

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Contents

Technical notes.....	2
Key findings	4
Part 1 – Consolidated statement of financial position of municipalities as at 30 June 2018 and 30 June 2019	9
Part 2 – Consolidated analysis statement of property, plant and equipment, and other assets as at 30 June 2019	13
Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2018 and 30 June 2019: Expenditure	15
Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2018 and 30 June 2019: Income	17
Part 4 – Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2018 and 30 June 2019: Expenditure	19
Part 4 – Consolidated statement of financial performance of municipalities for rates and general services for the years ended 30 June 2018 and 30 June 2019: Income	23
Part 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2018 and 30 June 2019: Expenditure	27
Part 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the years ended 30 June 2018 and 30 June 2019: Income	31
Explanatory notes	33
Glossary of selected variables	35
General information	41
Technical enquiries	41

Technical notes

Response rates for the 2019 financial year per province

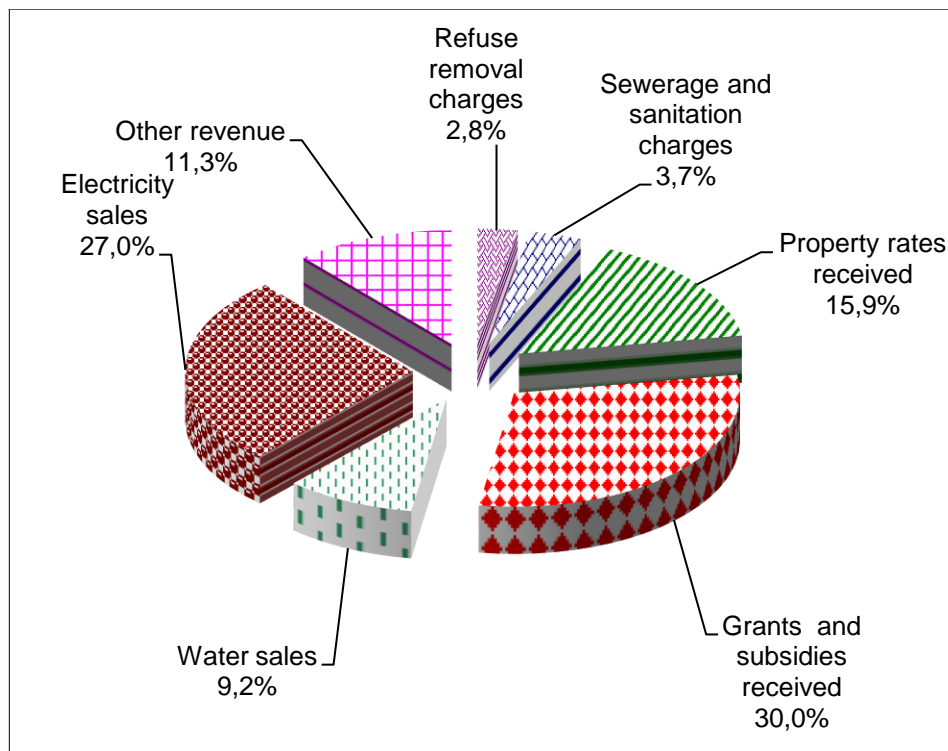
Province	Municipalities					
	Metropolitan municipalities (MMs)	District municipalities (DMs)	Local municipalities (LMs)	Response per province	Total per province	Response rate
Western Cape	1	5	24	30	30	100%
Eastern Cape	2	6	31	39	39	100%
Northern Cape	0	5	24	29	31	94%
Free State	1	4	15	20	23	87%
KwaZulu-Natal	1	10	42	53	54	98%
North West	0	3	18	21	22	95%
Gauteng	3	2	6	11	11	100%
Mpumalanga	0	3	17	20	20	100%
Limpopo	0	5	21	26	27	96%
Total	8	43	198	249	257	97%

The following municipalities did not respond and their annual financial statements (AFS) were not available/received by the cut-off date (29 June 2020):

Province	Municipal name	AFS submitted for 2018?	AFS submitted for 2019?
Northern Cape	Phokwane local municipality	No	No
Northern Cape	Resnosterberg local municipality	No	No
Free State	Mafube local municipality	Yes	No
Free State	Maluti-A-Phofung local municipality	No	No
Free State	Masilonyana local municipality	No	No
KwaZulu-Natal	eDumbe local municipality	Yes	No
North West	Bojanala district municipality	Yes	No
Limpopo	Mogalakwena local municipality	Yes	No

Key findings

Figure A: Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2018¹

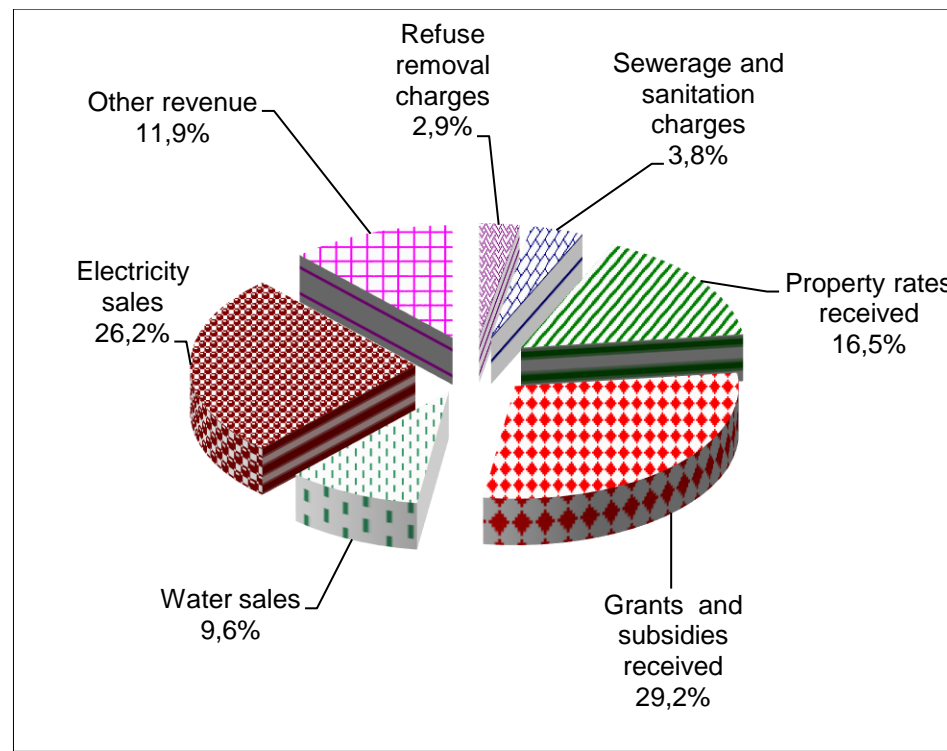


*Some figures have been revised.

¹The sum of percentages might not add up to 100% due to rounding off of figures.

Figure A above shows that the largest contributor to total municipal revenue of R369 086 million (total revenue less deficit and rebates: see Part 3 tables) for the year ended 30 June 2018 was 'grants and subsidies received' (30,0%), followed by 'electricity sales' (27,0%), 'property rates received' (15,9%), 'other revenue' (11,3%) (which consists of fines, licences and permits, public contributions and donations, etc.), 'water sales' (9,2%), 'sewerage and sanitation charges' (3,7%), and 'refuse removal charges' (2,8%).

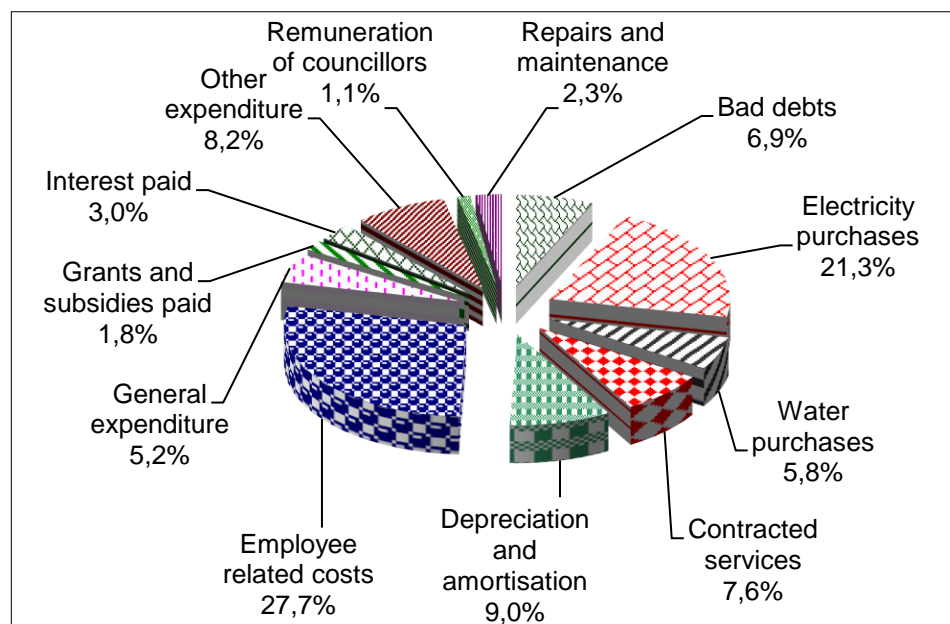
Figure B: Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2019¹



¹The sum of percentages might not add up to 100% due to rounding off of figures.

Figure B above shows that the largest contributor to total municipal revenue of R402 503 million (total revenue less deficit and rebates: see Part 3 tables) for the year ended 30 June 2019 was 'grants and subsidies received' (29,2%), followed by 'electricity sales' (26,2%), 'property rates received' (16,5%), 'other revenue' (11,9%) (which consists of fines, licences and permits, public contributions and donations, etc.), 'water sales' (9,6%), 'sewerage and sanitation charges' (3,8%), and 'refuse removal charges' (2,9%).

Figure C: Municipal operating expenditure as a percentage of the total expenditure for the year ended 30 June 2018*¹

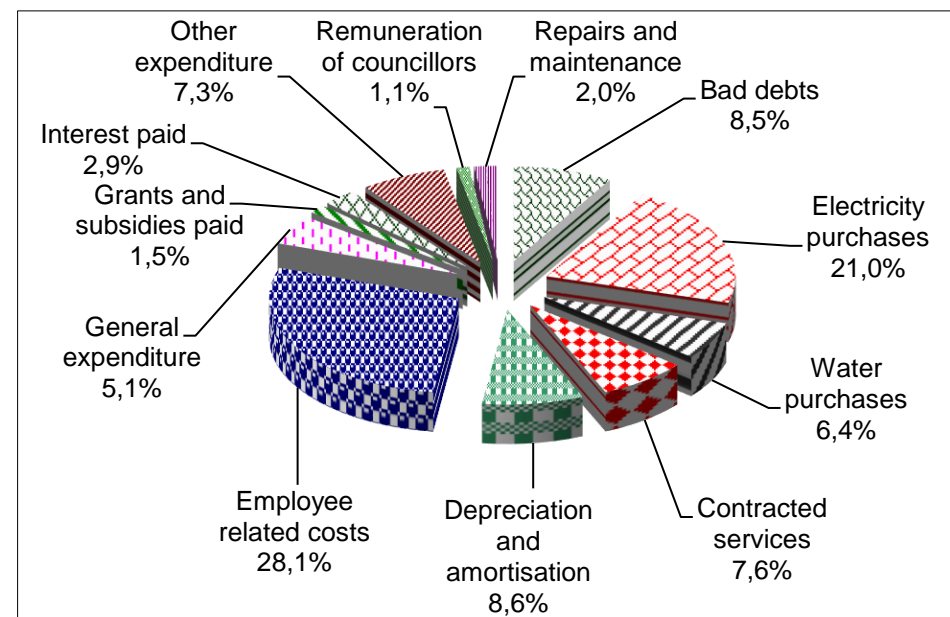


*Some figures have been revised.

¹The sum of percentages might not add up to 100% due to rounding off of figures.

As depicted in Figure C above, in 2018 the largest contributor to municipal total operating expenditure of R348 544 million (total expenditure less surplus and rebates: see Part 3 tables) was 'employee-related costs' (27,7%), followed by 'electricity purchases' (21,3%), 'depreciation and amortisation' (9,0%), 'other expenditure' (8,2%) (which consists of collection costs, loss on disposal of property, plant and equipment, impairment loss, etc.), 'contracted services' (7,6%), 'bad debts' (6,9%), 'water purchases' (5,8%), 'general expenditure' (5,2%) (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' (2,3%), 'grants and subsidies paid' (1,8%), and 'remuneration of councillors' (1,1%).

Figure D: Municipal operating expenditure as a percentage of the total expenditure for the year ended 30 June 2019¹



¹The sum of percentages might not add up to 100% due to rounding off of figures.

As depicted in Figure D above, in 2019 the largest contributor to municipal total operating expenditure of R379 554 million (total expenditure less surplus and rebates: see Part 3 tables) was 'employee-related costs' (28,1%), followed by 'electricity purchases' (21,0%), 'depreciation and amortisation' (8,6%), 'bad debts' (8,5%), 'contracted services' (7,6%), 'other expenditure' (7,3%) (which consists of collection costs, loss on disposal of property, plant and equipment, impairment loss, etc.), 'water purchases' (6,4%), 'general expenditure' (5,1%) (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' (2,9%), 'repairs and maintenance' (2,0%), 'grants and subsidies paid' (1,5%), and 'remuneration of councillors' (1,1%).

Table 1: Acid test ratio

Year	Acid test ratio of municipalities for the financial years ended 30 June 2018 and 30 June 2019		
	Current assets minus inventory	Current liabilities	Acid test ratio
	R million	R million	
2018*	121 722	132 680	0,92
2019	144 454	151 623	0,95

*Some figures have been revised.

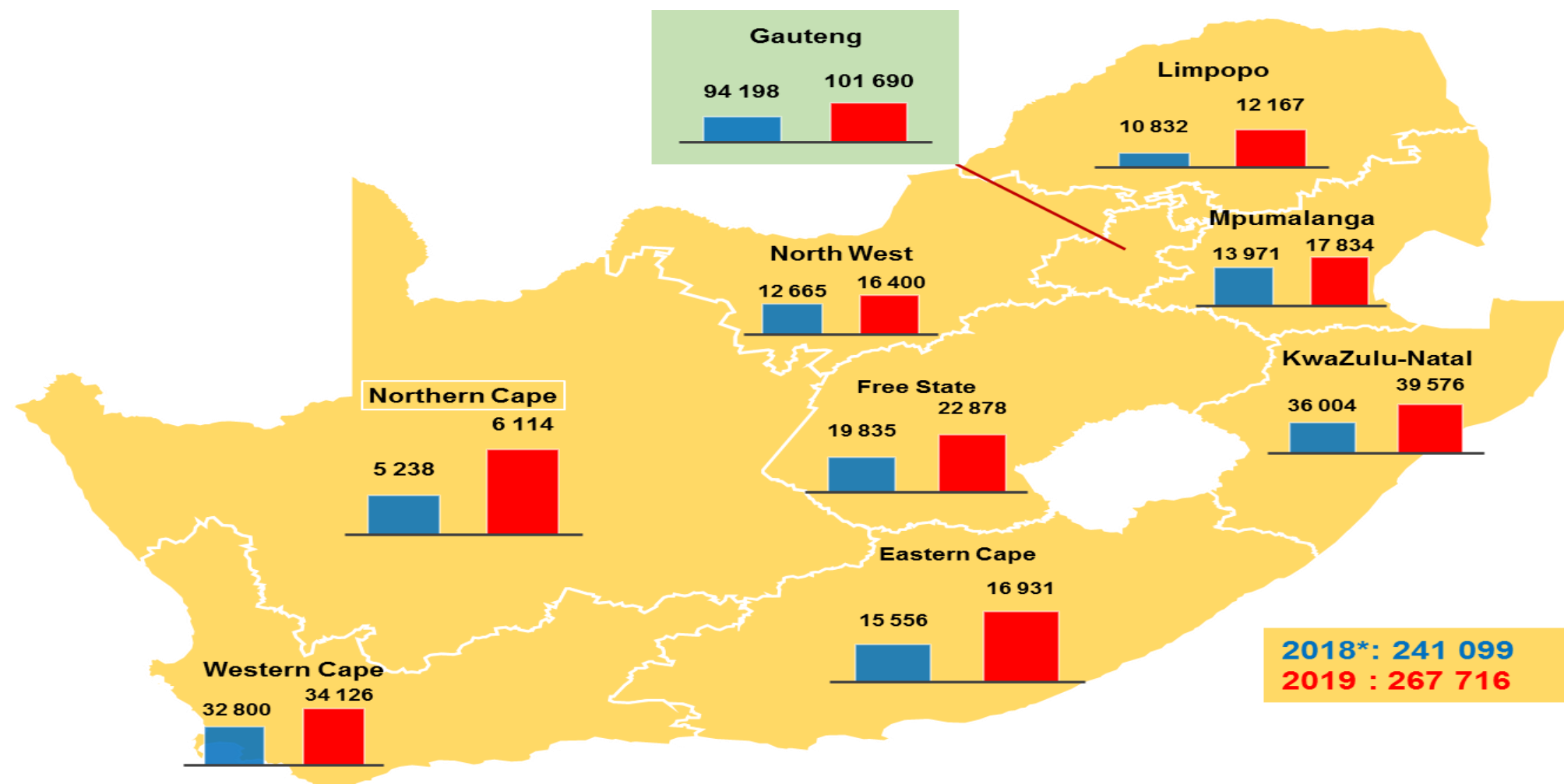
Table 1 above reflects the acid test ratio (*current assets minus inventory divided by current liabilities*). For the financial years ended 30 June 2018 and 30 June 2019, municipalities had acid test ratios of 0,92 and 0,95 respectively.

Table 2: Current ratio

Year	Current ratio of municipalities for the financial years ended 30 June 2018 and 30 June 2019		
	Current assets	Current liabilities	Current ratio
	R million	R million	
2018*	129 275	132 680	0,97
2019	152 456	151 623	1,01

*Some figures have been revised.

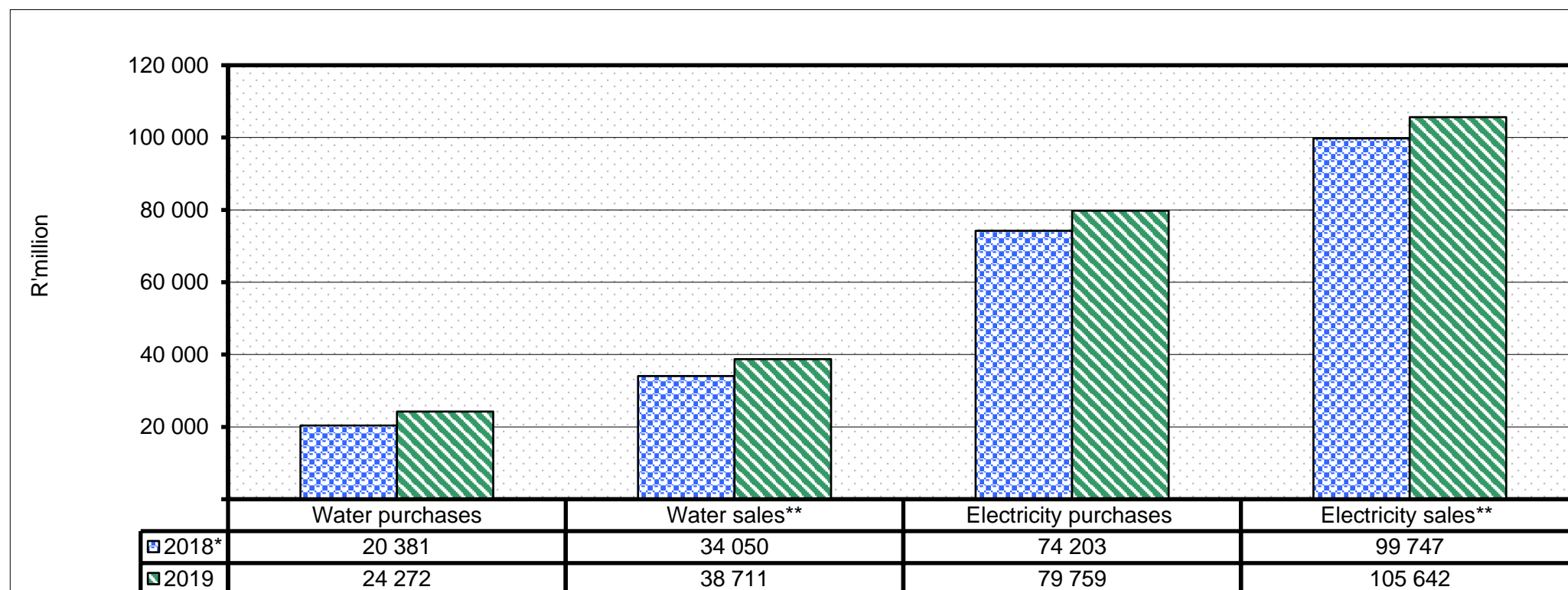
Table 2 above reflects the current ratio (*also called the working capital ratio*). The ratio measures the extent to which current assets provide cover to meet current liabilities. For the financial years ended 30 June 2018 and 30 June 2019, municipalities had current ratios of 0,97 and 1,01 respectively.

Figure E: Municipal total liabilities per province as at 30 June 2018 and 30 June 2019 (R million)

*Some figures have been revised.

As at 30 June 2019, municipalities owed their lenders, suppliers and other creditors a combined amount of R267 716 million, 11,0% more than what they owed as at 30 June 2018. The provinces which showed the highest percentage increases between 2018 and 2019 were North West (29,5%), Mpumalanga (27,7%), Northern Cape (16,7%), Free State (15,3%), and Limpopo (12,3%).

The provinces which had the lowest percentage increases between 2018 and 2019 were Western Cape (4,0%), Gauteng (8,0%), Eastern Cape (8,8%), and KwaZulu-Natal (9,9%). 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 2018 and 30 June 2019

*Some figures have been revised.

**Sales of water and electricity are net of rebates (income forgone) for these services.

Purchases of water increased from R20 381 million in 2018 to R24 272 million in 2019 (19,1%). Similarly, sales of water increased from R34 050 million to R38 711 million (13,7%) over the same period. Purchases of electricity increased from

R74 203 million in 2018 to R79 759 million in 2019 (7,5%). Likewise, sales of electricity increased from R99 747 million to R105 642 million (5,9%) over the same period.

Risenga Maluleke
Statistician-General

Part 1 – Consolidated statement of financial position of municipalities as at 30 June 2018 and 30 June 2019

	2018*(a)	2019(b)	Difference ¹
	R'000	R'000	R'000
Net assets and liabilities			
Net assets			
Housing development fund	990 462	927 735	-62 727
Capital replacement reserve	3 302 914	4 478 301	1 175 387
Capitalisation reserve	181 165	191 816	10 651
Government grant reserve	8 648 437	9 854 298	1 205 861
Donations and public contributions reserve	458 188	448 968	-9 220
Self-insurance reserve	652 308	517 531	-134 777
Revaluation reserve	21 983 246	23 266 576	1 283 330
COID ² reserve	215 577	418 583	203 006
Other reserves	1 376 451	1 381 169	4 718
Retained surplus/(accumulated deficit)	550 426 042	569 121 231	18 695 189
Outside shareholders' interest	366 165	372 169	6 004
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	0	0	0
Public non-financial corporations	0	0	0
Other (includes public/private companies, individuals, etc.)	18 841 362	18 446 564	-394 798
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)	23 429 281	23 928 648	499 367
Local authorities loans fund	0	0	0
Public financial corporations (excluding DBSA)	0	0	0
Public non-financial corporations	0	0	0
Banks	14 517 244	19 659 717	5 142 473
Insurers	0	0	0
Pension funds	0	0	0
Other domestic sources (including INCA ³)	3 020 281	3 577 190	556 909
Long-term finance lease obligation	1 353 606	1 344 174	-9 432
Non-current provisions	17 859 713	19 694 536	1 834 823
Non-current employee benefit obligation	21 856 204	21 874 928	18 724
Other non-current liabilities ⁴	7 539 839	7 566 605	26 766

¹Difference (b-a).²COID – Compensation Commissioner for Occupational Injuries and Diseases.³INCA – Infrastructure Finance Corporation Ltd.⁴Includes 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 2018 and 30 June 2019
(continued)**

	2018*(a)	2019(b)	Difference ¹
	R'000	R'000	R'000
Net assets and liabilities			
Current liabilities			
Short-term bonds	0	0	0
Short-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)	2 148 682	2 820 149	671 467
Local authorities loans fund	0	0	0
Public financial corporations (excluding DBSA)	0	0	0
Public non-financial corporations	0	0	0
Banks	2 299 102	2 305 083	5 981
Insurers	0	0	0
Pension funds	0	0	0
Other domestic sources (including INCA ²)	808 644	861 602	52 958
Short-term finance lease obligation	641 965	693 905	51 940
Current provisions	4 837 752	5 267 866	430 114
Current employee benefit obligation	2 156 105	2 320 145	164 040
Unspent conditional grants	8 169 773	10 411 931	2 242 158
VAT ³ payable	3 771 482	4 137 299	365 817
Bank overdraft	2 949 116	3 920 816	971 700
Creditors:			
Trade creditors	54 217 330	62 990 340	8 773 010
Consumer deposits	6 307 678	6 663 412	355 734
Income/payments received in advance	5 587 507	5 095 544	-491 963
Other creditors	37 888 696	43 460 106	5 571 410
Other current liabilities ⁴	896 556	675 192	-221 364
Total net assets and liabilities	829 698 874	878 694 130	48 995 256

¹Difference (b-a).

²INCA – Infrastructure Finance Corporation Ltd.

³VAT – Value added tax.

⁴Includes 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 2018 and 30 June 2019
(continued)**

	2018*(a)	2019(b)	Difference ¹
Assets	R'000	R'000	R'000
Non-current assets			
Property, plant and equipment (PPE) (net carrying value)	653 153 988	678 222 940	25 068 952
Investment property	27 516 665	27 951 659	434 994
Intangible assets	5 465 705	5 588 311	122 606
Biological (cultivated) assets	227 219	224 766	-2 453
Investments in marketable securities:			
Municipal stock/shares	0	0	0
Other marketable stock/shares:			
Government stock	82 838	82 567	-271
Treasury bills	0	0	0
Other local government institutions' stock	0	0	0
Public financial corporations' stock	0	0	0
Public non-financial corporations' stock	129	125	-4
Companies' shares	13 527	13 363	-164
Investments in non-marketable instruments of spheres of government, government institutions and elsewhere	5 162 420	5 549 469	387 049
Long-term receivables, loans, deposits, and investments			
Long-term receivables:			
Car loans	0	0	0
Housing selling scheme loans	32 419	28 237	-4 182
Sewerage connection loans	0	0	0
Electricity appliance purchase scheme	0	0	0
Other (including local government institutions)	390 040	405 969	15 929
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	911	699	-212
Long-term deposits and investments with:			
Banks	3 824 400	2 982 123	-842 277
Public financial corporations	0	0	0
Public non-financial corporations	43 994	48 119	4 125
Other	1 628 014	1 917 586	289 572
Other non-current assets ²	2 881 106	3 221 698	340 592
Current assets			
Inventory	7 553 144	8 002 228	449 084

¹Difference (b-a).

²Includes 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 2018 and 30 June 2019
(concluded)**

	2018*(a)	2019(b)	Difference ¹
Assets	R'000	R'000	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	14 299	8 847	-5 452
Short-term deposits and investments with:			
Banks	32 404 441	40 284 453	7 880 012
Public financial corporations	0	0	0
Public non-financial corporations	4 173	4 604	431
Other	2 601 757	2 805 755	203 998
Debtors:			
Consumer debtors	48 579 564	56 014 343	7 434 779
Other debtors (including short-term portion of long-term receivables)	15 244 815	17 743 788	2 498 973
VAT ³ receivable	5 614 655	5 440 205	-174 450
Pre-paid expenses	612 484	688 768	76 284
Petty cash and bank	16 057 317	20 395 951	4 338 634
Other current assets ²	588 850	1 067 557	478 707
Total assets	829 698 874	878 694 130	48 995 256

¹Difference (b-a).

²Includes suspense accounts and assets not separately listed on the questionnaire.

³VAT – Value added tax.

*Some figures have been revised.

Part 2 – Consolidated analysis statement of property, plant and equipment, and other assets as at 30 June 2019

Description	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	79 269 005	1 671 538	414 251	197 111	1 765 235	67 068	200 032	79 636	79 599 206
Land	38 074 738	141 578	115	599	0	14 148	100 859	0	38 102 023
Buildings	41 194 267	1 529 960	414 136	196 512	1 765 235	52 920	99 173	79 636	41 497 183
Infrastructure assets	458 733 456	29 513 856	17 321 610	818 629	21 335 706	770 897	1 843 328	76 082	482 513 702
Drains	5 212 696	351 339	376 527	103 229	294 273	1 081	498	7	5 747 946
Roads	83 347 384	2 540 206	1 199 262	355 518	4 613 452	23 561	509 429	7 476	82 303 404
Beach empowerments (development)	134 836	12 674	0	22 806	4 487	0	0	0	165 829
Sewerage mains and purifications	28 192 685	917 680	305 468	349 674	1 136 638	30 822	46 112	6 994	28 558 929
Electricity generation	13 287 067	789 050	537 805	2 662	546 346	2 398	23 049	11 674	14 056 465
Electricity mains	29 124 996	3 451 103	246 230	-101	1 020 506	49 114	647 347	8 650	31 113 911
Electricity peak loads equipment	7 120 516	514 111	0	53 055	224 071	1 462	0	0	7 462 149
Water purification	12 483 662	1 165 336	819 182	311 127	729 196	962	72 355	18 019	13 994 813
Reservoirs-water	4 821 732	595 771	0	192 689	185 516	94	115	58	5 424 525
Water meters	532 936	81 868	0	0	28 661	0	10 810	0	575 333
Water mains	39 535 176	1 568 894	3 621 230	393 300	1 384 458	5 667	40 614	10 399	43 698 260
Other	234 939 770	17 525 824	10 215 906	-965 330	11 168 102	655 736	492 999	12 805	249 412 138
Community assets	50 152 134	2 308 435	1 692 484	165 029	2 342 117	88 307	56 725	42 186	51 873 119
Parks and gardens	401 128	16 425	0	6 275	15 503	0	0	215	408 540
Libraries	5 260 319	141 759	5 756	36 632	235 544	1 361	14 241	11 069	5 204 389
Recreation facilities	5 263 939	127 391	20 168	58 356	323 059	962	7 439	500	5 138 894
Civic buildings	3 501 841	109 529	24 892	225 609	147 355	0	3 096	1 387	3 712 807
Other	35 724 907	1 913 331	1 641 668	-161 843	1 620 656	85 984	31 949	29 015	37 408 489
Heritage assets	5 324 149	74 717	6 338	0	11	176 963	347	0	5 227 883
Historical buildings	3 180 691	47 812	0	0	0	161 142	342	0	3 067 019
Paintings and art galleries	1 045 447	1 707	0	0	0	0	5	0	1 047 149
Other	1 098 011	25 198	6 338	0	11	15 821	0	0	1 113 715

Part 2 – Consolidated analysis statement of property, plant and equipment, and other assets as at 30 June 2019 (concluded)

Description	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	2 620 064	6 597	4 440	15 729	135 432	250	35 188	29 157	2 505 117
Housing rental stock	2 453 366	6 597	0	15 729	124 748	250	35 188	29 151	2 344 657
Other	166 698	0	4 440	0	10 684	0	0	6	160 460
Leased assets	1 372 425	341 232	21 911	0	364 751	75	106 714	5 116	1 269 144
Other assets	50 930 273	7 712 971	2 452 554	133 168	5 545 594	191 527	554 174	297 098	55 234 769
Landfill sites	1 512 347	233 010	123	110 369	164 207	1 260	2 944	751	1 688 189
Office equipment	797 891	482 013	2 233	229	185 540	71	11 932	2 040	1 086 863
Furniture and fittings	1 326 593	273 004	1 242	8 579	331 685	1 116	51 657	39 144	1 264 104
Bins and containers	59 108	10 538	0	1 748	10 496	0	3 582	531	57 847
Emergency equipment	99 011	29 371	0	-3 286	13 915	0	3 583	4 481	112 079
Motor vehicles	4 001 739	1 432 627	1 254	77 795	787 456	6 246	143 948	54 511	4 630 276
Fire engines	13 437	1 506	1 402	0	1 153	0	19	12	15 185
Refuse tankers	50 589	2 353	0	3	2 714	0	1 346	1 315	50 200
Computer equipment	1 472 993	419 266	0	78 248	496 999	533	99 474	70 712	1 444 213
Councillors' regalia	0	0	0	0	0	0	0	0	0
Conservancy tankers	0	0	0	0	0	0	0	0	0
Water crafts	39	0	0	0	5	0	0	0	34
Plant and other equipment	19 032 024	1 889 527	66 084	68 686	1 215 070	13 494	81 548	61 143	19 807 352
Other	22 564 502	2 939 756	2 380 216	-209 203	2 336 354	168 807	154 141	62 458	25 078 427
TOTAL PPE	648 401 506	41 629 346	21 913 588	1 329 666	31 488 846	1 295 087	2 796 508	529 275	678 222 940
Investment property	27 792 178	157 562	0	178 675	71 840	39 494	67 930	2 508	27 951 659
Intangible assets	5 497 085	1 202 869	63 612	27 006	1 149 434	8 503	111 062	66 738	5 588 311
Biological (cultivated) assets	217 727	6 531	0	13 497	7 226	0	5 763	0	224 766
TOTAL	681 908 496	42 996 308	21 977 200	1 548 844	32 717 346	1 343 084	2 981 263	598 521	711 987 676

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2018 and 30 June 2019: Expenditure

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2018*	2019	2018*	2019	2018*(a)	2019(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	
Employee-related costs	62 464 967	68 956 807	34 142 150	37 612 920	96 607 117	106 569 727	9 962 610
Remuneration of board of directors/councillors	4 006 049	4 190 574	0	0	4 006 049	4 190 574	184 525
Interest paid	7 986 509	7 856 017	2 480 284	2 984 622	10 466 793	10 840 639	373 846
Loss on disposal of property, plant and equipment	940 837	1 035 367	206 246	97 652	1 147 083	1 133 019	-14 064
Bad debts	13 940 172	19 600 614	10 048 531	12 599 529	23 988 703	32 200 143	8 211 440
Contracted services	13 244 301	12 939 556	13 347 463	16 009 186	26 591 764	28 948 742	2 356 978
Collection costs	775 461	496 004	30 733	29 459	806 194	525 463	-280 731
Depreciation and amortisation	15 341 419	14 955 419	15 996 701	17 761 927	31 338 120	32 717 346	1 379 226
Impairment loss (PPE)	981 591	804 805	637 607	538 279	1 619 198	1 343 084	-276 114
Repairs and maintenance	3 075 476	2 592 746	4 938 675	4 933 828	8 014 151	7 526 574	-487 577
Bulk purchases:							
Purchases of water	0	0	20 381 191	24 272 062	20 381 191	24 272 062	3 890 871
Purchases of electricity	0	0	74 203 312	79 758 830	74 203 312	79 758 830	5 555 518
Other bulk purchases	0	0	34 931	52 059	34 931	52 059	17 128
Grants and subsidies paid to:							
Other local government institutions	322 969	363 174	139 805	0	462 774	363 174	-99 600
Tertiary institutions of higher learning	0	257	0	0	0	257	257
Households or individuals	1 229 870	981 341	805 393	714 605	2 035 263	1 695 946	-339 317
Non-profit institutions serving households	3 369	10 899	0	540	3 369	11 439	8 070
Other	2 349 119	2 050 078	1 381 770	1 467 858	3 730 889	3 517 936	-212 953
General expenditure:							
Accommodation, travelling and subsistence	868 593	959 073	116 527	142 811	985 120	1 101 884	116 764
Advertising, promotions and marketing	782 963	736 090	147 601	147 280	930 564	883 370	-47 194
Audit fees	978 214	1 094 806	66 087	68 323	1 044 301	1 163 129	118 828
Bank charges	488 138	605 180	25 027	21 068	513 165	626 248	113 083
Cleaning services	129 657	136 252	164 981	180 216	294 638	316 468	21 830
Consultancy and professional fees	2 296 936	2 170 086	407 889	669 313	2 704 825	2 839 399	134 574
Entertainment costs	90 874	71 317	5 720	5 743	96 594	77 060	-19 534
Fuel and oil	995 765	1 118 246	613 107	737 786	1 608 872	1 856 032	247 160

¹Difference (b-a).

*Some figures have been revised.

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2018 and 30 June 2019: Expenditure (concluded)

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2018*	2019	2018*	2019	2018*(a)	2019(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Hiring of plant and equipment	993 716	892 637	457 685	643 020	1 451 401	1 535 657	84 256
Insurance costs	893 548	955 593	193 939	189 237	1 087 487	1 144 830	57 343
Pharmaceutical	178 870	196 345	323	717	179 193	197 062	17 869
Postal and courier services	277 658	297 580	8 100	4 892	285 758	302 472	16 714
Printing and stationery	485 214	472 976	84 241	91 949	569 455	564 925	-4 530
Rebates for property rates	1 550 628	1 646 431	0	0	1 550 628	1 646 431	95 803
Rebates for service charges	0	0	552 178	651 619	552 178	651 619	99 441
Rental of land, buildings and other structures	942 690	887 288	943 793	884 622	1 886 483	1 771 910	-114 573
Rental of office equipment	280 403	319 765	31 313	183 441	311 716	503 206	191 490
Security services	953 422	1 010 600	604 881	612 393	1 558 303	1 622 993	64 690
Subscriptions and membership fees	476 613	498 545	11 572	22 294	488 185	520 839	32 654
Telecommunication services	1 070 969	991 920	172 842	157 367	1 243 811	1 149 287	-94 524
Training and education	513 604	519 967	66 817	157 985	580 421	677 952	97 531
Transport costs	218 887	348 334	55 062	35 447	273 949	383 781	109 832
Other expenditure	13 571 323	13 010 074	11 403 844	11 592 906	24 975 167	24 602 980	-372 187
Taxation	3 407	11 599	110 611	27 911	114 018	39 510	-74 508
Surplus	53 597 238	70 011 365	40 157 405	38 819 650	93 754 643	108 831 015	15 076 372
Total expenditure	209 301 439	235 795 727	235 176 337	254 881 346	444 477 776	490 677 073	46 199 297

¹Difference (b-a).

*Some figures have been revised.

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2018 and 30 June 2019: Income

	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2018*	2019	2018*	2019	2018*(a)	2019(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Income							
Property rates from:							
Residential	29 672 996	32 946 790	0	0	29 672 996	32 946 790	3 273 794
Commercial or business	18 308 903	21 478 309	0	0	18 308 903	21 478 309	3 169 406
State	2 680 671	3 284 021	0	0	2 680 671	3 284 021	603 350
Other (includes agricultural, municipal, etc.)	9 181 433	9 678 202	0	0	9 181 433	9 678 202	496 769
Property rates – penalties imposed and collection charges	365 839	504 442	0	0	365 839	504 442	138 603
Service charges:							
Sales of water	0	0	34 177 582	38 880 094	34 177 582	38 880 094	4 702 512
Sales of electricity	0	0	99 973 937	105 860 784	99 973 937	105 860 784	5 886 847
Refuse removal charges	0	0	10 573 501	11 658 905	10 573 501	11 658 905	1 085 404
Sewerage and sanitation charges	0	0	13 894 197	15 308 958	13 894 197	15 308 958	1 414 761
Other service charges (e.g. fresh produce market etc.)	0	0	1 831 686	1 812 524	1 831 686	1 812 524	-19 162
Interest earned from:							
External investments	4 861 711	4 985 320	384 935	89 848	5 246 646	5 075 168	-171 478
Outstanding debtors	3 619 935	4 190 812	2 270 727	3 631 094	5 890 662	7 821 906	1 931 244
Dividends received	740	634	0	182	740	816	76
Fines	5 074 232	5 928 852	453 202	362 335	5 527 434	6 291 187	763 753
Licences and permits	438 743	447 118	265 092	268 602	703 835	715 720	11 885
Income for agency services	768 586	746 334	1 188 251	1 284 903	1 956 837	2 031 237	74 400
Rental of facilities and equipment	1 333 566	1 370 265	1 225 866	1 272 428	2 559 432	2 642 693	83 261
Bad debts recovered	169 818	55 778	0	87 957	169 818	143 735	-26 083
Public contributions and donations (including PPE)	1 853 785	1 318 673	795 848	667 836	2 649 633	1 986 509	-663 124
Gains on the disposal of property, plant and equipment	385 149	277 744	12 601	15 476	397 750	293 220	-104 530
Grants and subsidies from:							
National government	47 194 064	50 719 016	11 825 965	14 318 410	59 020 029	65 037 426	6 017 397
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	28 178 891	34 342 777	23 619 321	17 981 566	51 798 212	52 324 343	526 131

¹Difference (b-a).

*Some figures have been revised.

Part 3 – Consolidated statement of financial performance of municipalities for the years ended 30 June 2018 and 30 June 2019: Income (concluded)

	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2018*	2019	2018*	2019	2018*(a)	2019(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Income							
Other income	9 835 646	15 328 362	4 848 177	3 686 856	14 683 823	19 015 218	4 331 395
Deficit	45 376 731	48 192 278	27 835 449	37 692 588	73 212 180	85 884 866	12 672 686
Total income	209 301 439	235 795 727	235 176 337	254 881 346	444 477 776	490 677 073	46 199 297

¹Difference (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 2018 and 30 June 2019:
Expenditure

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	30 494 200	32 843 881	3 702 120	4 012 196	4 643 610	5 048 271	5 097 759	5 473 021	4 737 093	5 487 723
Remuneration of board of directors/councillors	4 006 049	4 190 574	0	0	0	0	0	0	0	0
Interest paid	7 860 679	7 735 038	38 273	53	28 393	23 534	14 801	22 459	25 403	58 483
Loss on disposal of property, plant and equipment	914 611	1 026 372	791	169	1 581	1 879	10 283	4 942	7 496	1 059
Bad debts	11 672 031	17 559 016	2 343	4 576	304 760	44 785	20 435	42 707	9 178	28 238
Contracted services	9 017 943	8 295 749	117 159	129 133	735 944	852 438	652 655	821 136	741 984	1 089 556
Collection costs	718 591	433 225	454	0	0	2 241	0	0	1	3 987
Depreciation and amortisation	12 489 464	11 682 500	93 064	104 536	1 284 080	1 334 941	601 242	571 566	362 315	624 618
Impairment loss (PPE)	959 832	688 602	19	4 213	8 640	16 259	7 884	28 854	3 920	40 098
Repairs and maintenance	2 406 202	2 051 076	20 698	38 274	339 464	86 855	45 534	136 085	118 991	113 368
Grants and subsidies paid to:										
Other local government institutions	293 020	315 689	247	369	0	0	3 465	3 448	22 733	43 111
Tertiary institutions of higher learning	0	257	0	0	0	0	0	0	0	0
Households or individuals	1 217 450	948 935	0	0	247	0	8 657	20 416	2 386	7 413
Non-profit institutions serving households	3 369	6 361	0	0	0	0	0	38	0	4 500
Other	1 958 500	1 484 107	9 013	11 033	54 466	125 598	46 724	64 540	267 317	331 809
General expenditure:										
Accommodation, travelling and subsistence	723 014	788 961	8 124	15 900	8 134	9 072	36 776	40 304	55 481	69 912
Advertising, promotions and marketing	641 276	546 812	6 868	6 198	33 653	29 950	22 512	44 489	71 474	100 057
Audit fees	971 233	1 086 093	0	0	1 514	2 200	7	439	4 655	5 701
Bank charges	486 585	587 955	9	2	718	1 175	113	654	422	2 446
Cleaning services	98 774	96 168	3 209	3 951	19 920	23 751	4 772	6 902	373	2 666
Consultancy and professional fees	2 091 691	1 912 951	61 733	67 828	14 949	14 913	6 435	22 444	102 864	131 193

*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 2018 and 30 June 2019:
Expenditure (continued)**

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	86 556	65 955	51	25	283	330	1 208	1 832	1 806	2 510
Fuel and oil	707 247	796 142	10 062	9 828	67 128	62 493	22 212	22 850	7 305	20 544
Hiring of plant and equipment	921 652	771 380	3 842	4 252	6 909	16 307	20 583	30 351	15 943	24 583
Insurance costs	865 206	927 212	428	457	6 608	12 114	7 788	3 938	3 757	2 152
Pharmaceutical	5 767	6 465	172 446	189 180	50	83	14	11	57	113
Postal and courier services	260 418	266 820	83	434	58	21	564	9 820	444	644
Printing and stationery	373 836	292 027	20 304	25 711	7 849	8 407	25 514	30 245	24 963	25 360
Rebates for property rates	1 550 628	1 646 431	0	0	0	0	0	0	0	0
Rental of land, buildings and other structures	727 123	617 807	7 413	7 879	3 225	2 909	26 966	23 892	17 500	18 568
Rental of office equipment	255 744	288 098	1 717	855	1 535	2 194	9 382	8 611	6 733	9 489
Security services	457 245	420 178	29 069	20 925	173 771	175 119	95 572	97 510	14 776	135 360
Subscriptions and membership fees	456 896	489 030	1 214	994	774	1 039	4 128	798	4 543	4 686
Telecommunication services	997 091	914 835	9 131	8 973	11 696	10 244	15 479	15 987	12 412	12 819
Training and education	459 756	458 349	6 099	6 136	9 209	9 107	11 591	5 369	8 157	23 904
Transport costs	191 016	282 806	164	223	6 506	9 992	6 797	18 201	9 928	14 402
Other expenditure	9 813 058	8 968 809	262 282	291 036	1 023 961	1 113 934	694 329	724 170	924 169	885 346
Taxation	3 407	7 900	0	0	0	0	0	0	0	3 699
Surplus	50 365 782	66 724 823	17 452	14 857	93 348	169 303	458 088	401 756	1 369 085	1 729 237
Total expenditure	157 522 942	178 225 389	4 605 881	4 980 196	8 892 983	9 211 458	7 980 269	8 699 785	8 955 664	11 059 354

*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 2018 and 30 June 2019:
Expenditure (continued)**

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	7 339 741	8 837 817	4 239 241	4 757 992	1 363 482	1 683 055	847 721	812 851
Remuneration of board of directors/councillors	0	0	0	0	0	0	0	0
Interest paid	3 304	3 369	6 436	5 391	1 091	1 169	8 129	6 521
Loss on disposal of property, plant and equipment	2 007	391	2 942	484	1 047	61	79	10
Bad debts	1 888 193	1 714 296	13 154	90 532	30 078	116 408	0	56
Contracted services	1 152 316	1 249 059	136 569	107 054	341 439	276 040	348 292	119 391
Collection costs	56 415	56 551	0	0	0	0	0	0
Depreciation and amortisation	78 050	97 635	173 561	199 810	50 614	71 223	209 029	268 590
Impairment loss (PPE)	1 093	21 683	111	5 096	92	0	0	0
Repairs and maintenance	58 448	62 291	59 270	54 427	10 602	31 957	16 267	18 413
Grants and subsidies paid to:								
Other local government institutions	0	0	1 997	0	1 507	557	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households or individuals	0	0	11	0	188	739	931	3 838
Non-profit institutions serving households	0	0	0	0	0	0	0	0
Other	448	569	1 065	1 571	2 205	3 237	9 381	27 614
General expenditure:								
Accommodation, travelling and subsistence	16 491	14 303	5 600	6 701	4 633	5 106	10 340	8 814
Advertising, promotions and marketing	1 700	2 110	1 829	1 724	619	1 702	3 032	3 048
Audit fees	805	0	0	0	0	0	0	373
Bank charges	147	240	46	58	98	12 241	0	409
Cleaning services	914	1 099	1 242	1 335	247	273	206	107
Consultancy and professional fees	10 075	128	2 842	3 410	783	935	5 564	16 284

*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 2018 and 30 June 2019:
Expenditure (concluded)**

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	226	72	60	9	1	9	683	575
Fuel and oil	99 579	117 640	31 842	32 351	34 765	39 475	15 625	16 923
Hiring of plant and equipment	6 004	6 047	5 227	3 301	10 931	12 071	2 625	24 345
Insurance costs	2 548	2 949	5 864	4 299	668	2 103	681	369
Pharmaceutical	368	289	1	51	167	153	0	0
Postal and courier services	15 950	19 661	18	7	40	41	83	132
Printing and stationery	22 063	54 055	6 483	4 406	2 979	31 172	1 223	1 593
Rebates for property rates	0	0	0	0	0	0	0	0
Rental of land, buildings and other structures	118 973	173 908	36 919	36 741	4 466	2 928	105	2 656
Rental of office equipment	2 894	3 247	836	824	57	1 215	1 505	5 232
Security services	134 176	76 040	12 181	14 613	36 616	44 285	16	26 570
Subscriptions and membership fees	326	618	941	844	2 654	341	5 137	195
Telecommunication services	8 862	8 235	8 763	9 442	2 770	3 202	4 765	8 183
Training and education	5 724	5 594	8 662	6 020	2 855	4 889	1 551	599
Transport costs	2 256	756	1 487	12 347	624	4 616	109	4 991
Other expenditure	377 485	452 155	228 313	225 162	83 167	117 725	164 559	231 737
Taxation	0	0	0	0	0	0	0	0
Surplus	856 793	650 924	2 384	58 708	122 356	56 877	311 950	204 880
Total expenditure	12 264 374	13 633 731	4 995 897	5 644 710	2 113 841	2 525 805	1 969 588	1 815 299

*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 2018 and 30 June 2019:
Income

Income	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from:										
Residential	29 672 996	32 946 790	0	0	0	0	0	0	0	0
Commercial or business	18 308 903	21 478 309	0	0	0	0	0	0	0	0
State	2 680 671	3 284 021	0	0	0	0	0	0	0	0
Other (includes agricultural, municipal, etc.)	9 181 433	9 678 202	0	0	0	0	0	0	0	0
Property rates – penalties imposed and collection charges	365 839	504 442	0	0	0	0	0	0	0	0
Interest earned from:										
External investments	4 838 301	4 953 983	0	0	6	40	15 268	41	8 120	31 228
Outstanding debtors	3 592 544	4 171 129	0	0	0	1	20 037	261	3 202	2 707
Dividends received	609	600	0	0	0	0	0	0	131	10
Fines	777 595	715 724	56	104	5 315	638	20 871	36 744	34 115	28 069
Licences and permits	131 648	99 603	3 941	3 675	3 928	19 950	24 281	26 682	47 943	53 351
Income for agency services	621 755	330 216	2	0	0	668	20 551	7 912	4 241	3 513
Rental of facilities and equipment	1 043 777	991 244	2 261	1 432	139 684	153 401	79 286	76 522	47 980	129 445
Bad debts recovered	169 818	51 925	0	0	0	0	0	0	0	0
Public contributions and donations (including PPE)	1 578 018	1 230 108	222 464	188	1 208	14 160	36 583	2 046	1 476	58 802
Gains on the disposal of property, plant and equipment	375 798	269 550	15	10	3 616	3 578	152	390	5 451	4 179

*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 2018 and 30 June 2019:
Income (continued)**

Income	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	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	44 842 106	48 240 380	93 442	71 197	137 669	110 661	812 752	1 014 646	876 762	896 149
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	23 251 592	29 321 988	1 114 364	857 636	202 223	327 907	634 234	668 751	2 137 764	2 526 726
Other income	8 255 656	13 485 166	28 577	57 784	249 805	109 750	195 235	152 906	764 077	939 480
Deficit	7 833 883	6 472 009	3 140 759	3 988 170	8 149 529	8 470 704	6 121 019	6 712 884	5 024 402	6 385 695
Total income	157 522 942	178 225 389	4 605 881	4 980 196	8 892 983	9 211 458	7 980 269	8 699 785	8 955 664	11 059 354

*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 2018 and 30 June 2019:
Income (continued)**

Income	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	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	0	1	0	0	0	0	16	27
Outstanding debtors	15	13 389	1 690	1 632	752	1 068	1 695	625
Dividends received	0	24	0	0	0	0	0	0
Fines	4 003 749	4 925 639	338	1 146	232 193	220 788	0	0
Licences and permits	200 284	216 690	7 102	10 279	19 021	16 143	595	745
Income for agency services	109 210	133 781	0	0	9 722	270 244	3 105	0
Rental of facilities and equipment	1 747	2 923	865	713	141	10 254	17 825	4 331
Bad debts recovered	0	3 853	0	0	0	0	0	0
Public contributions and donations (including PPE)	3 713	3 586	3 297	416	6 919	9 240	107	127
Gains on the disposal of property, plant and equipment	12	19	42	8	63	10	0	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 2018 and 30 June 2019:
Income (concluded)**

Income	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Grants and subsidies from:								
National government	70 290	86 937	131 402	167 918	60 330	25 100	169 311	106 028
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	38 275	22 296	329 078	247 342	35 827	10 844	435 534	359 287
Other income	134 943	449 095	126 829	98 553	21 629	9 234	58 895	26 394
Deficit	7 702 136	7 775 498	4 395 254	5 116 703	1 727 244	1 952 880	1 282 505	1 317 735
Total income	12 264 374	13 633 731	4 995 897	5 644 710	2 113 841	2 525 805	1 969 588	1 815 299

*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 2018 and 30 June 2019:
Expenditure

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	1 564 543	1 696 497	1 453 769	1 606 683	6 008 736	6 601 379	2 854 179	3 111 044
Interest paid	145 218	216 988	792	854	402 830	386 603	327 024	364 781
Loss on disposal of property, plant and equipment	8 135	11 081	116	30	5 763	6 521	2 771	2 512
Bad debts	311 125	762 873	31 194	45 321	939 249	1 266 918	799 941	800 869
Contracted services	1 187 976	1 017 656	175 276	192 164	2 152 929	2 794 689	1 628 569	1 990 096
Collection costs	6 328	357	0	0	314	403	13 475	698
Depreciation and amortisation	1 017 361	651 505	57 590	57 279	646 769	587 547	1 657 446	1 725 539
Impairment loss (PPE)	7 671	2 842	346	3	1 040	9 896	6 347	3 513
Repairs and maintenance	390 981	117 586	108 591	96 788	228 488	200 169	205 652	160 704
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	0	0	34 931	52 059
Grants and subsidies paid to:								
Other local government institutions	0	0	317	0	0	0	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households or individuals	168 007	2 650	0	0	80 909	296 695	73 038	84 260
Non-profit institutions serving households	0	0	0	420	0	0	0	0
Other	300 768	234 384	4 616	1 443	9 975	16 293	31 511	501
General expenditure:								
Accommodation, travelling and subsistence	6 794	8 481	7 538	7 973	6 559	6 492	4 680	6 351
Advertising, promotions and marketing	3 606	1 906	2 763	3 211	4 717	4 742	487	5 116
Audit fees	2 312	4 188	0	0	11 308	8 073	1 829	2 105
Bank charges	3 863	594	0	2	86	137	331	256
Cleaning services	23 838	18 633	218	414	56 429	61 710	24 326	31 230
Consultancy and professional fees	63 007	66 090	5 138	5 094	27 609	19 967	7 315	13 549

*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 2018 and 30 June 2019:
Expenditure (continued)**

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	65	40	10	18	425	332	427	0
Fuel and oil	7 934	9 840	22 186	23 939	120 627	123 676	39 823	50 934
Hiring of plant and equipment	5 741	6 463	2 863	7 786	31 208	93 006	98 086	64 382
Insurance costs	11 442	12 496	648	131	3 973	19 656	2 593	3 562
Pharmaceutical	1	1	32	6	11	13	178	297
Postal and courier services	3 696	595	5	217	486	255	533	677
Printing and stationery	9 582	9 712	3 146	2 929	6 383	6 620	2 302	2 191
Rebates for service charges	0	0	0	0	89 610	137 637	108 102	126 541
Rental of land, buildings and other structures	71 064	62 592	516	306	21 216	12 532	21 704	7 132
Rental of office equipment	5 365	10 989	408	3 498	8 984	84 876	984	5 206
Security services	71 108	62 628	13 831	21 168	67 987	77 308	35 377	70 220
Subscriptions and membership fees	903	778	597	691	259	2 007	624	627
Telecommunication services	7 156	7 123	5 698	8 085	6 886	5 842	4 843	4 750
Training and education	4 964	17 591	976	1 647	7 863	8 091	6 440	6 378
Transport costs	418	496	2 862	975	5 324	7 764	6 076	10 593
Other expenditure	1 000 427	902 745	125 742	94 933	2 198 923	1 671 491	1 383 811	870 953
Taxation	39 636	14 178	0	0	0	0	0	0
Surplus	1 540 083	1 341 199	1 009 317	9 792	3 191 468	3 258 948	8 977 583	10 744 365
Total expenditure	7 991 118	7 273 777	3 037 101	2 193 800	16 345 343	17 778 288	18 363 338	20 323 991

*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 2018 and 30 June 2019:
Expenditure (continued)**

Expenditure	Road transport		Water		Electricity		Other trading services	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	6 787 247	7 258 544	7 645 623	8 597 793	6 920 509	7 734 212	907 544	1 006 768
Interest paid	228 291	308 484	564 379	662 475	807 329	1 037 762	4 421	6 675
Loss on disposal of property, plant and equipment	103 952	14 114	64 548	36 615	20 636	22 389	325	4 390
Bad debts	246 376	229 507	5 183 924	6 789 430	2 321 180	2 584 512	215 542	120 099
Contracted services	2 599 227	3 617 957	2 983 691	3 488 232	2 399 449	2 735 251	220 346	173 141
Collection costs	3 783	3 411	1 446	1 853	5 387	22 737	0	0
Depreciation and amortisation	6 204 611	8 142 091	2 998 513	2 955 041	3 170 609	3 437 281	243 802	205 644
Impairment loss (PPE)	138 658	490 999	8 164	12 865	5 027	12 943	470 354	5 218
Repairs and maintenance	1 282 137	1 375 801	1 061 616	1 059 546	1 629 735	1 907 167	31 475	16 067
Bulk purchases:								
Purchases of water	0	0	20 381 191	24 272 062	0	0	0	0
Purchases of electricity	0	0	0	0	74 203 312	79 758 830	0	0
Other bulk purchases	0	0	0	0	0	0	0	0
Grants and subsidies paid to:								
Other local government institutions	135 435	0	0	0	0	0	4 053	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households or individuals	1 253	4 531	286 907	63 392	195 279	263 077	0	0
Non-profit institutions serving households	0	0	0	0	0	0	0	120
Other	19 500	48 468	850 793	971 603	137 355	148 615	27 252	46 551
General expenditure:								
Accommodation, travelling and subsistence	29 572	36 767	41 745	49 668	12 733	19 748	6 906	7 331
Advertising, promotions and marketing	31 040	22 307	23 506	15 409	4 932	7 421	76 550	87 168
Audit fees	9 536	9 438	16 674	13 889	17 761	25 540	6 667	5 090
Bank charges	5 672	3 562	934	952	4 188	5 492	9 953	10 073
Cleaning services	21 363	17 410	11 585	23 601	5 317	8 713	21 905	18 505
Consultancy and professional fees	114 010	307 432	67 104	75 041	110 848	123 917	12 858	58 223

*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 2018 and 30 June 2019:
Expenditure (concluded)**

Expenditure	Road transport		Water		Electricity		Other trading services	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	341	191	3 194	280	812	4 598	446	284
Fuel and oil	197 493	199 581	167 518	229 931	54 916	75 982	2 610	23 903
Hiring of plant and equipment	41 189	109 839	142 294	211 262	32 071	30 841	104 233	119 441
Insurance costs	66 611	49 498	11 481	12 619	95 192	89 792	1 999	1 483
Pharmaceutical	10	10	55	346	36	44	0	0
Postal and courier services	162	19	1 235	1 021	1 969	2 027	14	81
Printing and stationery	27 568	33 720	13 986	11 993	15 487	19 009	5 787	5 775
Rebates for service charges	0	0	127 929	168 819	226 537	218 622	0	0
Rental of land, buildings and other structures	143 464	30 162	661 888	139 776	17 439	620 846	6 502	11 276
Rental of office equipment	5 909	8 042	7 066	67 007	1 844	3 514	753	309
Security services	144 904	115 363	129 464	121 831	112 352	114 114	29 858	29 761
Subscriptions and membership fees	2 987	3 024	2 066	10 234	2 424	2 856	1 712	2 077
Telecommunication services	29 937	29 692	27 719	27 783	86 216	70 505	4 387	3 587
Training and education	14 849	28 790	18 581	85 251	8 987	6 761	4 157	3 476
Transport costs	8 957	8 663	23 922	3 914	5 940	2 872	1 563	170
Other expenditure	2 400 397	2 971 357	2 150 837	2 602 934	2 001 605	2 051 411	142 102	427 082
Taxation	2 578	2 829	0	0	0	10 904	68 397	0
Surplus	1 959 002	1 537 369	8 295 084	8 716 195	13 923 943	11 950 388	1 260 925	1 261 394
Total expenditure	23 008 021	27 018 972	53 976 662	61 500 663	108 559 356	115 130 693	3 895 398	3 661 162

*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 2018 and 30 June 2019:
Income

	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
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	10 573 501	11 658 905	0	0
Sewerage and sanitation charges	0	0	0	0	0	0	13 894 197	15 308 958
Other service charges (e.g. fresh produce market etc.)	0	0	0	0	0	0	0	0
Interest earned from:								
External investments	69 923	11 490	30 788	0	14 654	12 260	0	3
Outstanding debtors	8 530	72 859	6 730	30 412	214 666	408 839	292 891	413 956
Dividends received	0	0	0	0	0	0	0	0
Fines	556	1 412	168	251	4 945	5 026	5 157	9 303
Licences and permits	538	596	11 390	13 497	5 366	259	1	0
Income for agency services	0	9	0	0	3 577	3 667	0	0
Rental of facilities and equipment	712 626	801 051	2 840	2 475	6 533	19 266	3 359	2 752
Bad debts recovered	0	0	0	0	0	21 226	0	39 955
Public contributions and donations (including PPE)	3 339	118	685	0	591 563	29 629	72	6 027
Gains on the disposal of property, plant and equipment	5 554	7 923	0	10	29	1 483	99	688
Grants and subsidies from:								
National government	716 275	712 439	61 004	23 906	1 280 834	1 449 289	2 074 850	1 999 824
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	4 932 013	3 214 776	1 050 559	38 134	1 357 147	1 215 128	1 207 162	1 660 415
Other income	96 652	65 506	104 234	56 455	513 617	580 776	233 985	213 973
Deficit	1 445 112	2 385 598	1 768 703	2 028 660	1 778 911	2 372 535	651 565	668 137
Total income	7 991 118	7 273 777	3 037 101	2 193 800	16 345 343	17 778 288	18 363 338	20 323 991

*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 2018 and 30 June 2019:
Income (concluded)

Income	Road transport		Water		Electricity		Other trading services	
	2018*	2019	2018*	2019	2018*	2019	2018*	2019
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Service charges:								
Sales of water	0	0	34 177 582	38 880 094	0	0	0	0
Sales of electricity	0	0	0	0	99 973 937	105 860 784	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	1 831 686	1 812 524
Interest earned from:								
External investments	10 287	18 319	133 433	5 242	76 718	11 626	49 132	30 908
Outstanding debtors	1 893	549	1 379 883	2 135 804	364 290	566 370	1 844	2 305
Dividends received	0	0	0	182	0	0	0	0
Fines	241 766	272 337	95 428	23 789	105 034	49 969	148	248
Licences and permits	237 514	225 987	1 458	7 493	0	0	8 825	20 770
Income for agency services	804 020	874 037	1 122	0	11 738	8 460	367 794	398 730
Rental of facilities and equipment	172 262	162 711	9 790	9 961	10 215	9 135	308 241	265 077
Bad debts recovered	0	0	0	21 289	0	5 487	0	0
Public contributions and donations (including PPE)	23 980	139 658	24 617	263 733	138 596	226 671	12 996	2 000
Gains on the disposal of property, plant and equipment	2 449	1 242	1 858	1 054	2 609	3 073	3	3
Grants and subsidies from:								
National government	1 266 575	916 569	4 378 611	6 857 846	2 029 536	2 328 795	18 280	29 742
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	7 006 888	6 025 264	5 437 767	3 912 057	2 152 714	1 827 119	475 071	88 673
Other income	864 357	785 227	844 382	594 021	1 704 529	1 076 515	486 421	314 383
Deficit	12 376 030	17 597 072	7 490 731	8 788 098	1 989 440	3 156 689	334 957	695 799
Total income	23 008 021	27 018 972	53 976 662	61 500 663	108 559 356	115 130 693	3 895 398	3 661 162

*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 2019 and revised data for 2018 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 2019;
- 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 2018 and 2019 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 2017 in some municipalities. mSCOA was implemented in all municipalities from the beginning of the 2018 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 2018/2019 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 2018 were used for 2019 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 2019 is generally comparable with the publication for the year ended 30 June 2018.

Related publications	<p>Users may wish to refer to the following Stats SA publications:</p> <ul style="list-style-type: none"> • P9110 <i>Quarterly financial statistics of municipalities</i>; • P9101 Capital expenditure by the public sector; • P9114 <i>Financial census of municipalities (previous publications)</i>; • P9115 <i>Non-Financial census of municipalities</i>; • P0277 <i>Quarterly employment statistics</i>; • P9119.4 <i>Financial statistics of consolidated general government</i>; and • P0441 <i>Gross domestic product</i>. 	
Symbols and abbreviations used	<ul style="list-style-type: none"> * 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	<p>Information for 2019 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 2018 revised figures.</p>	
Fluctuations between 2018* and 2019	<p>The fluctuations in the data between 2018 and 2019 can be due to:</p> <ul style="list-style-type: none"> • Revisions due to late responses or revisions from respondents; • Municipalities acquiring or disestablishing entities; and/or • mSCOA classifications. 	
Rounding-off of figures	<p>Slight discrepancies may occur between sum of the component items and totals where figures have been rounded off.</p>	

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 the 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	<p>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.</p> <p>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.</p>
COLD 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	<p>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.</p> <p>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.</p>
Employee-related costs	<p>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.</p> <p>Compensation of employees also includes:</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 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). <p>Note: Allowances to councillors are treated separately for the purpose of this census.</p>
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	<p>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.</p> <p>Examples of investment property: [IAS 40.8]</p> <ul style="list-style-type: none"> • 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	<p>Intangible assets refer to assets that cannot be touched, weighed or physically measured and include:</p> <ul style="list-style-type: none"> • mineral exploration rights; • computer software; and • patent, copyright, brand names and trademarks.
Local municipality	<p>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).</p>
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	<p>The following, among other items, are included in 'other expenditure':</p> <ul style="list-style-type: none"> • 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	<p>The following, among other items, are included in 'other income':</p> <ul style="list-style-type: none"> • 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	<p>Provision is any amount set aside for the purpose of meeting the following:</p> <ul style="list-style-type: none"> • 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. <p>Provision includes:</p> <ul style="list-style-type: none"> • bad debts; and • leave payouts.

Public corporations	<p>Public corporations comprise public non-financial corporations and public financial corporations.</p> <p>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.</p>
Rates and general services	<p>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.</p>
Repairs and maintenance	<p>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 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.</p>
Reserve	<p>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.</p>
Revaluation reserve	<p>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.</p>
Self-insurance reserve	<p>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.</p>
Trading services	<p>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.</p>

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.

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Forthcoming issues	Issue	Expected release date
	Financial census of municipalities	June 2021

Technical enquiries

Malibongwe Mhemhe	Telephone number: (012) 310 6928 / 082 906 8964 Email: malibongwem@statssa.gov.za
Hellen Maribe	Telephone number: (012) 310 2931 / 082 906 2144 Email: hellenm@statssa.gov.za

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