

Statistical release

P9114

Financial census of municipalities

for the year ended 30 June 2016

**Embargoed until:
28 June 2017
13:00**

ENQUIRIES:
User Information Services
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FORTHCOMING ISSUE:
P9114 (June 2017)

EXPECTED RELEASE DATE:
June 2018

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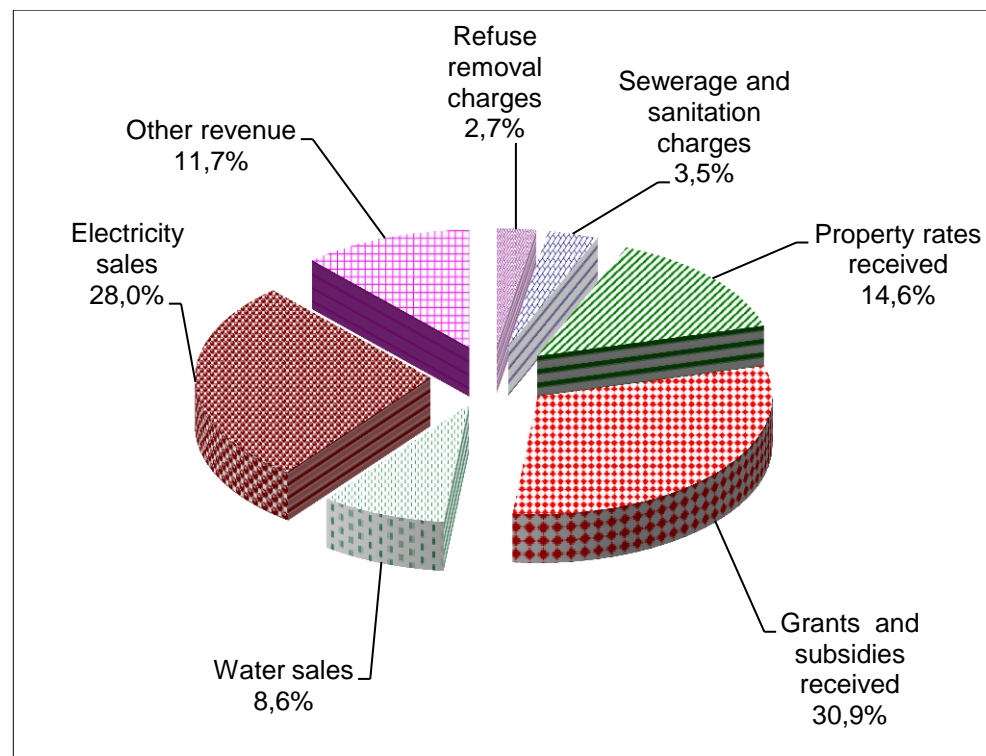
Technical notes

Response rates for the 2016 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	37	45	100%
Northern Cape	0	5	27	32	100%
Free State	1	4	19	24	100%
KwaZulu-Natal	1	10	50	61	100%
North West	0	4	19	23	100%
Gauteng	3	2	7	12	100%
Mpumalanga	0	3	18	21	100%
Limpopo	0	5	25	30	100%
Total	8	44	226	278	100%

Key findings

Figure A: Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2015*



*Some figures have been revised.

Figure A above shows that the largest contributor to municipal revenue for the year ended 30 June 2015 was 'grants and subsidies received' (30,9%), followed by 'electricity sales' (28,0%), 'property rates received' (14,6%), 'other revenue' (11,7%) (which consists of fines, licences and permits, public contributions and donations, etc.), 'water sales' (8,6%), 'sewerage and sanitation charges' (3,5%), and 'refuse removal charges' (2,7%).

Figure B: Municipal revenue stream as a percentage of total revenue for the year ended 30 June 2016

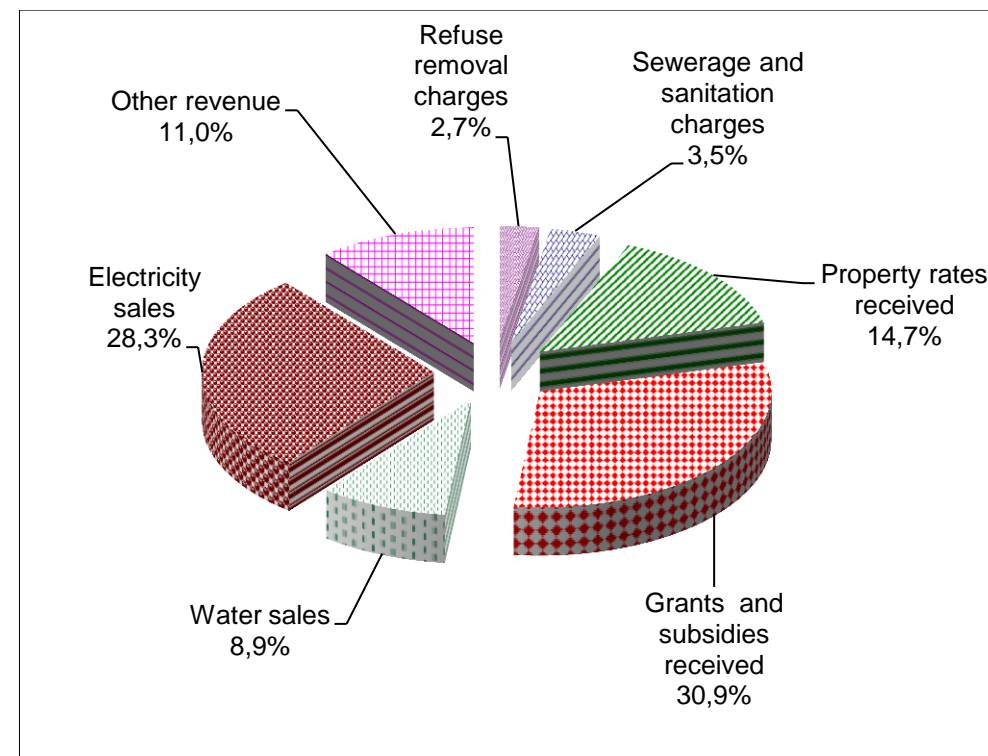


Figure B above shows that the largest contributor to municipal revenue for the year ended 30 June 2016 was 'grants and subsidies received' (30,9%), followed by 'electricity sales' (28,3%), 'property rates received' (14,7%), 'other revenue' (11,0%) (which consists of fines, licences and permits, public contributions and donations, etc.), 'water sales' (8,9%), 'sewerage and sanitation charges' (3,5%), and 'refuse removal charges' (2,7%).

Table 1: Acid test ratio

Year	Acid test ratio of municipalities for the financial years ended 30 June 2015 and 30 June 2016		
	Current assets minus inventory	Current liabilities	Acid test ratio
	R million	R million	
2015*	107 611	95 017	1,1:1
2016	113 271	106 336	1,1:1

*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 2015 and 30 June 2016, municipalities had an acid test ratio of 1,1:1.

Table 2: Current ratio

Year	Current ratio of municipalities for the financial years ended 30 June 2015 and 30 June 2016		
	Current assets	Current liabilities	Current ratio
	R million	R million	
2015*	113 504	95 017	1,2:1
2016	119 344	106 336	1,1:1

*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 year ended 30 June 2015, municipalities had a current ratio of 1,2:1; and for the financial year ended 30 June 2016, municipalities had a current ratio of 1,1:1.

Table 3: Debt-to-income ratio

Year	Debt-to-income ratio of municipalities for the financial years ended 30 June 2015 and 30 June 2016		
	Total liabilities	Total revenue	Debt to income ratio
	R million	R million	
2015*	196 044	309 566	0,6:1
2016	210 718	336 939	0,6:1

*Some figures have been revised.

The debt to income ratio provides a simple measure of the total liabilities of municipalities compared with their total revenue. This ratio is important in the risk management process of an entity. As can be seen from Table 3 above, municipalities had a ratio of 0,6:1 for the financial years ended 30 June 2015 and 30 June 2016.

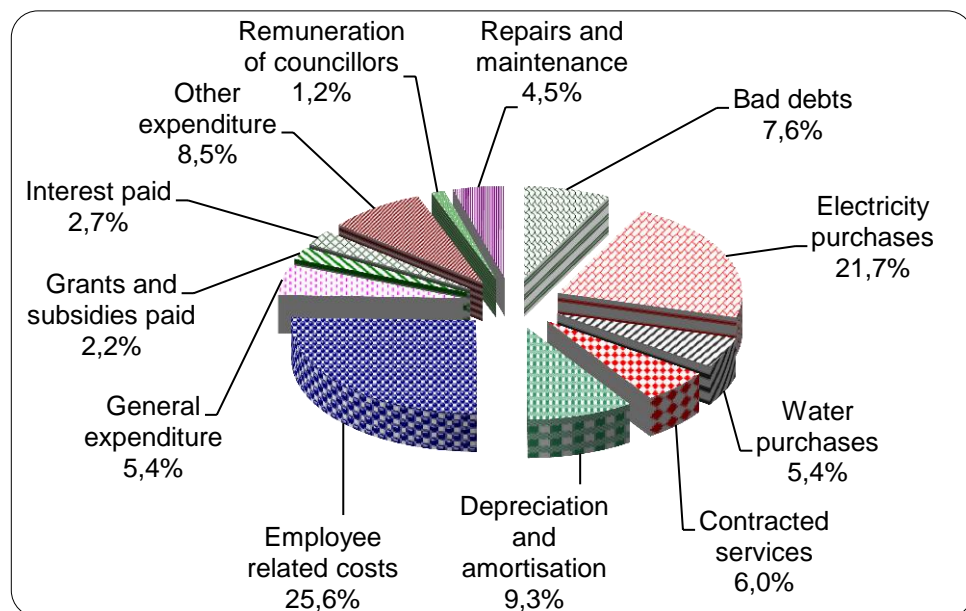
Table 4: Debt ratio

Year	Debt ratio of municipalities for the financial years ended 30 June 2015 and 30 June 2016		
	Total liabilities	Total assets	Debt ratio
	R million	R million	
2015*	196 044	701 242	0,28:1
2016	210 718	736 680	0,29:1

*Some figures have been revised.

The debt ratio indicates the proportion of debt municipalities have relative to their assets and provides an indication as to how much municipalities rely on debt to finance their assets. This ratio assists entities to assess risks they are facing in terms of their debt load. Table 4 above depicts that, for the 2015 financial year, approximately 28% of municipal assets were financed through debt; and approximately 29% for the 2016 financial year.

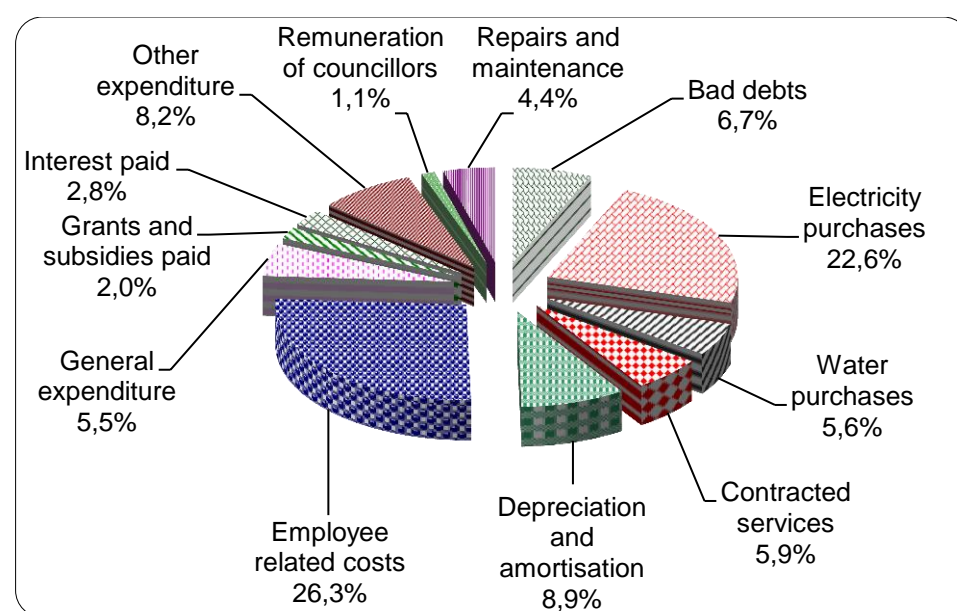
Figure C: Municipal expenditure patterns as a percentage of the total expenditure for the year ended 30 June 2015*



*Some figures have been revised.

As depicted in Figure C above, in 2015 the largest contributor to municipal total operating expenditure was 'employee-related costs' (25,6%), followed by 'electricity purchases' (21,7%), 'depreciation and amortisation' (9,3%), 'other expenditure' (8,5%) (which consists of collection costs, loss on disposal of property, plant and equipment, impairment loss, etc.), 'bad debts' (7,6%), 'contracted services' (6,0%), 'general expenditure' (5,4%) (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.), 'water purchases' (5,4%), 'repairs and maintenance' (4,5%), 'interest paid' (2,7%), 'grants and subsidies paid' (2,2%), and 'remuneration of councillors' (1,2%).

Figure D: Municipal expenditure patterns as a percentage of the total expenditure for the year ended 30 June 2016



As depicted in Figure D above, in 2016 the largest contributor to municipal total operating expenditure was 'employee-related costs' (26,3%), followed by 'electricity purchases' (22,6%), 'depreciation and amortisation' (8,9%), 'other expenditure' (8,2%) (which consists of collection costs, loss on disposal of property, plant and equipment, impairment loss, etc.), 'bad debts' (6,7%), 'contracted services' (5,9%), 'water purchases' (5,6%), 'general expenditure' (5,5%) (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.), 'repairs and maintenance' (4,4%), 'interest paid' (2,8%), 'grants and subsidies paid' (2,0%), and 'remuneration of councillors' (1,1%).

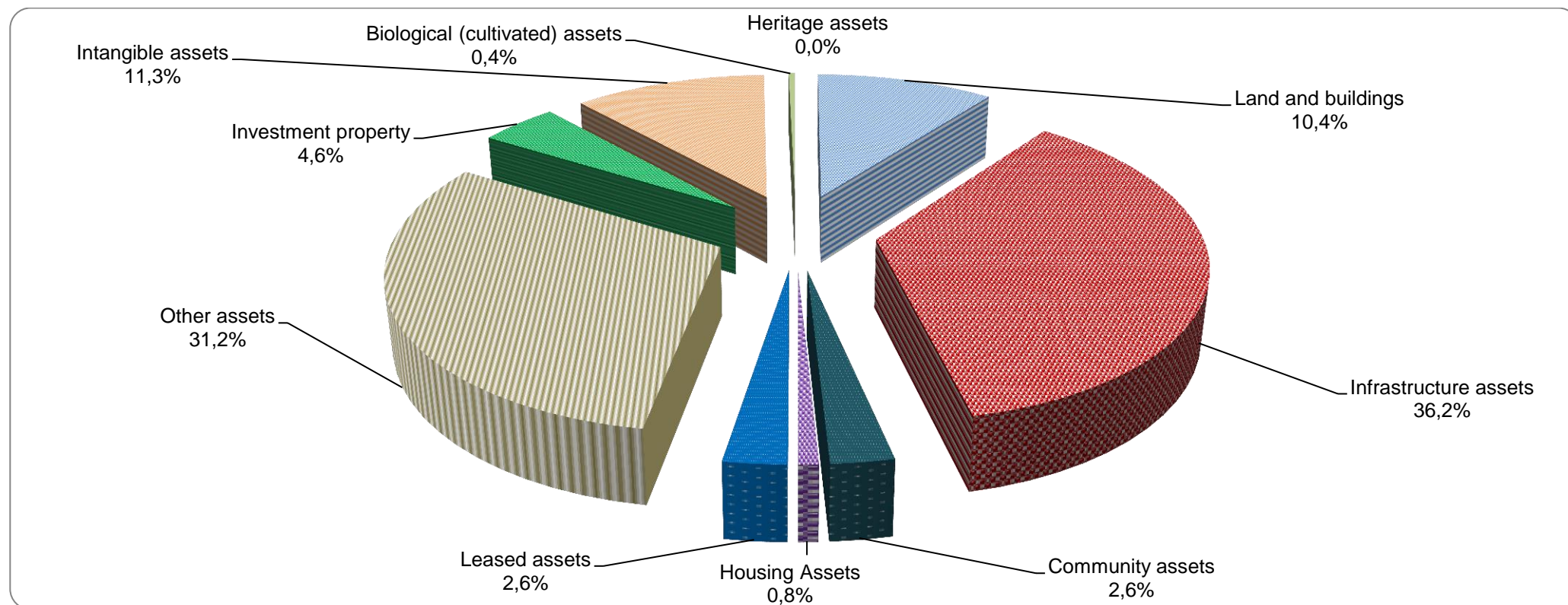
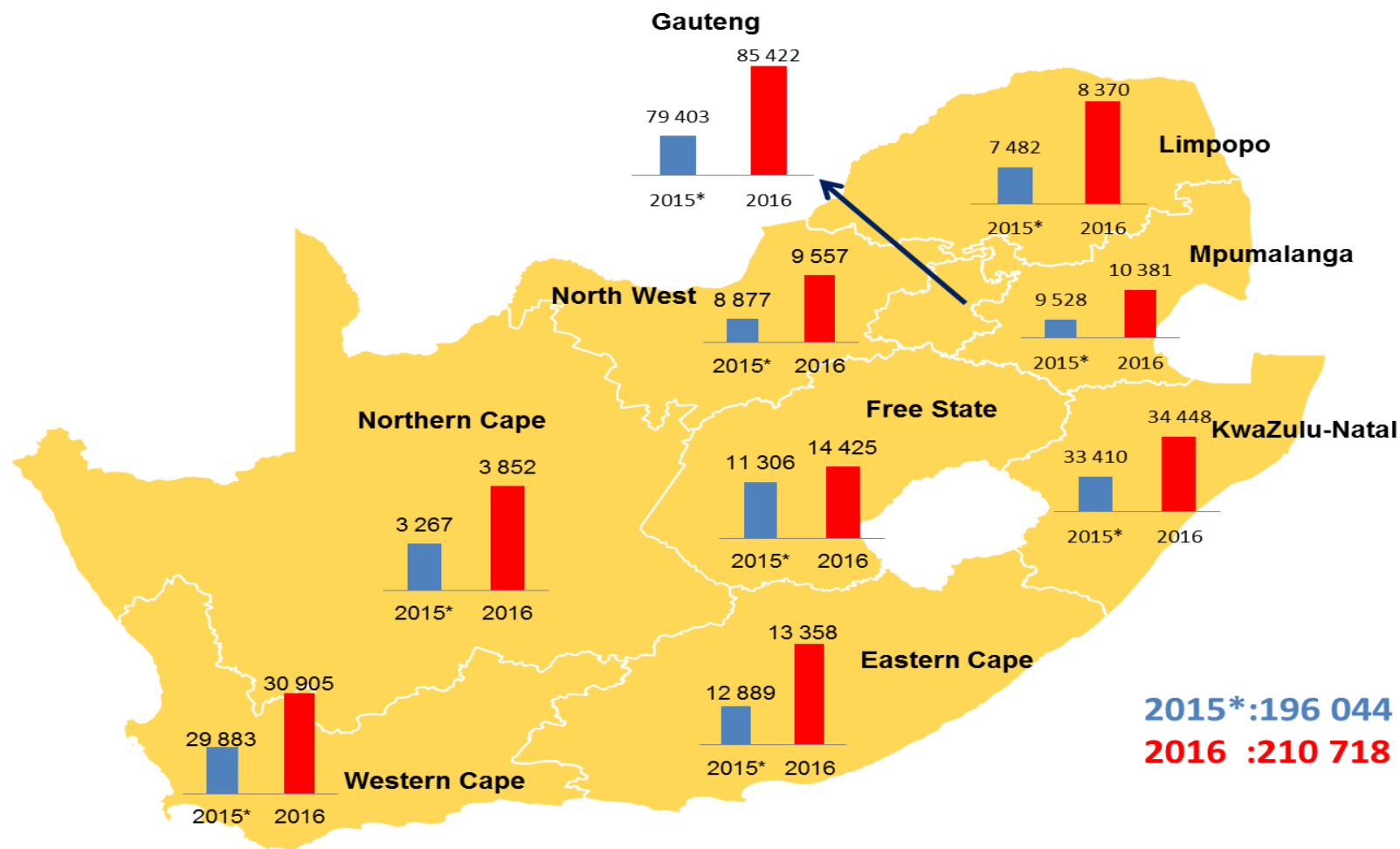
Figure E: Breakdown of disposal of property, plant and equipment and other assets in the year ended 30 June 2016

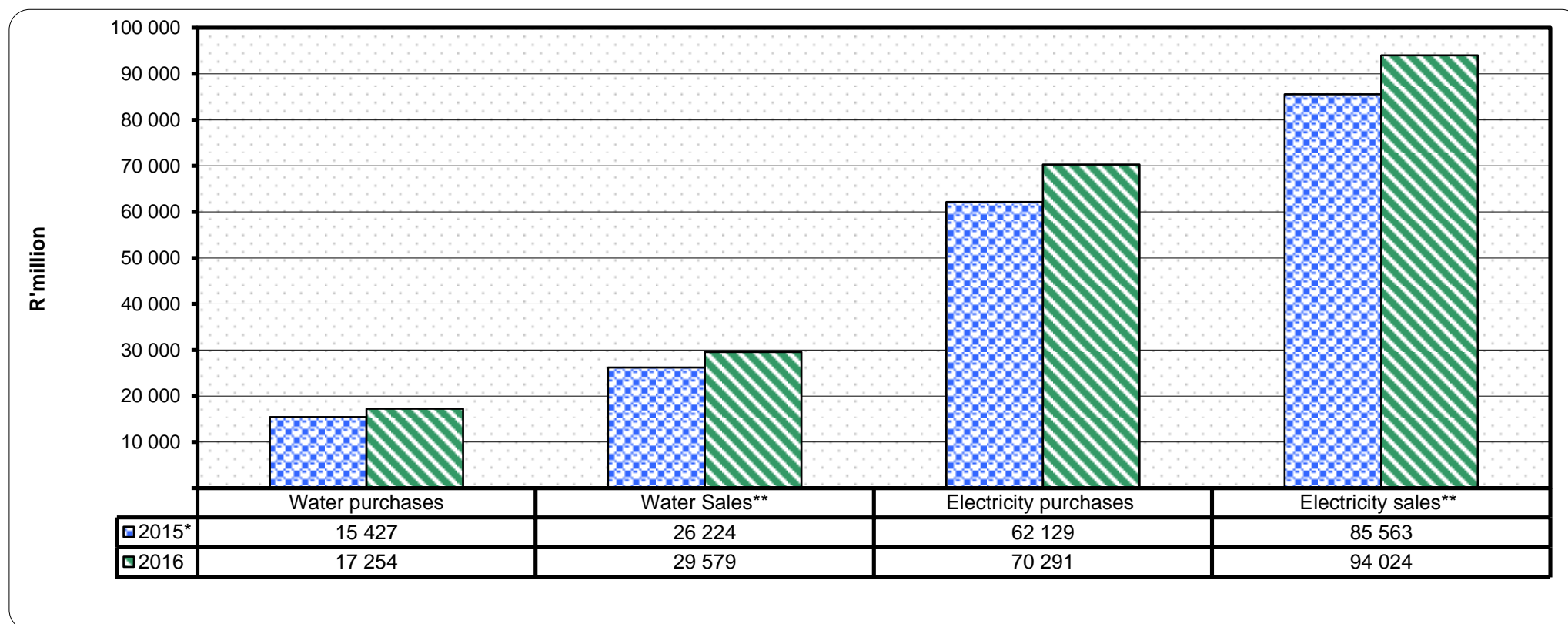
Figure E above shows the disposal of property, plant, and equipment and other assets for the year ended 30 June 2016. Out of total disposals of R1 841 million, 'infrastructure assets' (which consists of roads, sewerage mains and purifications, electricity mains and generation, water reservoirs etc.) contributed

the highest proportion (36,2%), followed by 'other assets' (which consists of landfill sites, office equipment, motor vehicles, refuse tankers, councillors' regalia etc.) (31,2%), and 'intangible assets' (11,3%).

Figure F: Municipal total liabilities per province as at 30 June 2015 and 30 June 2016

As at 30 June 2016, municipalities owed their lenders, suppliers and other creditors a combined amount of R210 718 million, 7,5% more than what they owed as at 30 June 2015 (see Figure F above). The provinces which showed the highest percentage increases between 2015 and 2016 were Free State (27,6%), Northern Cape (17,9%), Limpopo (11,9%) and Mpumalanga (9,0%).

The provinces which had the lowest percentage increases between 2015 and 2016 were KwaZulu-Natal (3,1%), Western Cape (3,4%), Eastern Cape (3,6%) and Gauteng (7,6%). The above municipal total liabilities exclude the net assets and outside shareholders' interest as outlined in part 1 of the statistical release.

Figure G: Purchases and sales of water and electricity for the financial years ended 30 June 2015 and 30 June 2016

*Some figures have been revised.

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

Purchases of water increased from R15 427 million in 2015 to R17 254 million in 2016 (11,8%), while sales of water reflected an increase from R26 224 million to R29 579 million (12,8%) over the same period. Purchases of electricity

increased from R62 129 million in 2015 to R70 291 million in 2016 (13,1%), while sales of electricity reflected an increase from R85 563 million in 2015 to R94 024 million in 2016 (9,9%).

PJ Lehohla
Statistician-General

Part 1: Consolidated statement of financial position of municipalities as at 30 June 2015* and 30 June 2016

	2015*(a)	2016(b)	Difference ¹
	R'000	R'000	R'000
Net assets and liabilities			
Net assets			
Housing development fund	1 179 066	1 172 510	-6 556
Capital replacement reserve	2 669 558	2 877 340	207 782
Capitalisation reserve	203 153	102 627	-100 526
Government grant reserve	7 049 835	7 882 882	833 047
Donations and public contributions reserve	369 314	357 773	-11 541
Self-insurance reserve	658 086	673 010	14 924
Revaluation reserve	13 904 853	13 797 580	-107 273
COVID ² reserve	185 098	194 333	9 235
Other reserves	773 443	783 297	9 854
Retained surplus/(accumulated deficit)	477 906 915	497 761 458	19 854 543
Outside shareholders' interest	298 666	358 707	60 041
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.)	0	0	0
Bonds held by:			
Other local government institutions	0	0	0
Public financial corporations	2 138 093	1 965 963	-172 130
Public non-financial corporations	0	0	0
Other (includes public/private companies, individuals, etc.)	15 381 482	16 668 895	1 287 413
Long-term loans from:			
National government	0	0	0
Provincial government	0	0	0
Local government institutions	61 991	54 931	-7 060
Development Bank of Southern Africa (DBSA)	19 006 942	21 009 544	2 002 602
Local authorities loans fund	0	0	0
Public financial corporations	772 450	873 283	100 833
Public non-financial corporations	83 038	0	-83 038
Banks	12 459 802	12 337 994	-121 808
Insurers	0	0	0
Pension funds	0	0	0
Other domestic sources (including INCA ³)	7 831 683	7 345 638	-486 045
Long-term leases	898 907	755 323	-143 584
Non-current provisions	14 779 265	16 430 114	1 650 849
Retirement benefit obligations	19 084 687	20 883 785	1 799 098

¹Difference (b-a).²COVID – Compensation Commissioner for Occupational Injuries and Diseases.³INCA – Infrastructure Finance Corporation Ltd.

*Some figures have been revised.

**Part 1: Consolidated statement of financial position of municipalities as at 30 June 2015* and 30 June 2016
(continued)**

	2015*(a)	2016(b)	Difference¹
	R'000	R'000	R'000
Net assets and liabilities			
Current liabilities			
Short-term loans from:			
National government	28	0	-28
Provincial government	0	0	0
Local government institutions	21 383	8 809	-12 574
Development Bank of Southern Africa (DBSA)	1 911 453	1 928 326	16 873
Local authorities loans fund	0	0	0
Public financial corporations	0	0	0
Public non-financial corporations	5 403	2 251	-3 152
Banks	1 741 297	1 837 787	96 490
Insurers	0	0	0
Pension funds	0	0	0
Other domestic sources (including INCA ³)	852 332	959 090	106 758
Short-term leases	530 176	623 060	92 884
Current provisions	3 753 347	3 958 037	204 690
Retirement benefit obligations	1 391 861	1 376 033	-15 828
Unspent conditional grants	8 245 450	6 939 786	-1 305 664
VAT ⁴ payable	2 578 134	2 906 513	328 379
Bank overdraft	950 178	1 110 065	159 887
Creditors:			
Trade creditors	44 186 618	50 290 463	6 103 845
Consumer deposits	4 789 197	5 335 325	546 128
Income received in advance	4 259 447	4 774 093	514 646
Other creditors	19 800 396	24 286 636	4 486 240
Liabilities not reflected elsewhere ⁵	8 528 699	6 056 589	-2 472 110
Total net assets and liabilities	701 241 726	736 679 850	35 438 124

¹Difference (b-a).

³INCA – Infrastructure Finance Corporation Ltd.

⁴VAT – Value added tax.

⁵Includes 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 2015* and 30 June 2016
(continued)**

	2015*(a)	2016(b)	Difference ¹
	R'000	R'000	R'000
Assets			
Non-current assets			
Property, plant and equipment (PPE) (net carrying value)	547 987 054	577 924 380	29 937 326
Investment property	23 150 294	23 406 710	256 416
Intangible assets	3 545 197	3 925 829	380 632
Biological (cultivated) assets	252 937	266 473	13 536
Investments in marketable securities:			
Municipal stock/shares	9 791	8 891	-900
Other marketable stock/shares:			
Government stock	76 655	75 384	-1 271
Treasury bills	0	0	0
Other local government institutions' stock	0	0	0
Public financial corporations' stock	1 412	1 389	-23
Public non-financial corporations' stock	96	93	-3
Companies' shares	22 184	21 771	-413
Investments in non-marketable instruments of spheres of government, government institutions and elsewhere	1 321 494	1 194 277	-127 217
Long-term receivables, loans, deposits, and investments			
Long-term receivables:			
Car loans	77	115	38
Housing selling scheme loans	184 764	121 867	-62 897
Sewerage connection loans	0	0	0
Electricity appliance purchase scheme	0	0	0
Other (including local government institutions)	559 341	452 843	-106 498
Long-term loans to:			
Other local government institutions	8 237	7 276	-961
Public financial corporations	0	0	0
Public non-financial corporations	0	2 648	2 648
Other companies/institutions	406	69	-337
Long-term deposits and investments with:			
Banks	5 649 039	4 484 963	-1 164 076
Public financial corporations	0	0	0
Public non-financial corporations	3 240	3 240	0
Other	4 246 507	4 591 093	344 586
Current assets			
Inventory	5 893 060	6 073 519	180 459

¹Difference (b-a).

*Some figures have been revised.

Part 1: Consolidated statement of financial position of municipalities as at 30 June 2015* and 30 June 2016 (concluded)

	2015*(a)	2016(b)	Difference ¹
	R'000	R'000	R'000
Assets			
Short-term loans, deposits and investments			
Short-term loans to:			
Other local government institutions	939	971	32
Public financial corporations	0	0	0
Public non-financial corporations	0	0	0
Other companies/institutions	24	23	-1
Short-term deposits and investments with:			
Banks	34 123 951	32 722 018	-1 401 933
Public financial corporations	0	0	0
Public non-financial corporations	0	0	0
Other	2 111 808	2 519 451	407 643
Debtors:			
Consumer debtors	33 836 021	37 503 973	3 667 952
Other debtors (including short-term portion of long-term receivables)	16 918 469	19 539 355	2 620 886
VAT ⁴ receivable	2 968 152	3 367 261	399 109
Pre-paid expenses	286 513	270 806	-15 707
Petty cash and bank	17 365 225	17 347 020	-18 205
Assets not reflected elsewhere ⁶	718 839	846 142	127 303
Total assets	701 241 726	736 679 850	35 438 124

¹Difference (b-a).

⁴ VAT – Value added tax.

⁶Includes suspense accounts and assets not separately listed on the questionnaire.

*Some figures have been revised.

Part 2: The consolidated analysis statement of property, plant and equipment, and other assets as at 30 June 2016

	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	76 245 648	2 281 191	354 764	28 446	1 704 734	90 190	190 967	7 863	76 932 021
Land	38 197 237	551 141	10 624	18 127	0	27 856	147 738	0	38 601 535
Buildings	38 048 411	1 730 050	344 140	10 319	1 704 734	62 334	43 229	7 863	38 330 486
Infrastructure assets	371 586 867	19 793 243	27 896 669	69 061	17 784 904	752 695	666 097	29 202	400 171 346
Drains	10 478 254	876 048	5 191	0	289 063	5123	267	34	11 065 074
Roads	71 449 255	2 714 889	1 722 691	0	4 522 197	26 961	87 588	4 186	71 254 275
Beach empowerments	66 649	810	0	0	2 604	0	0	0	64 855
Sewerage mains and purifications	29 461 622	1 176 706	1 022 269	2217	1 298 595	65 406	102 014	2 895	30 199 694
Electricity generation	5 198 786	168 830	190 828	0	193 543	23285	167	7	5 341 456
Electricity mains	25 914 078	992 522	524 924	1 722	1 207 308	26 194	48 781	4 751	26 155 714
Electricity peak loads equipment	6 072 223	615 056	3 523	0	226 240	0	0	0	6 464 562
Water purification	4 335 089	380 446	163 332	0	223 203	721	623	437	4 654 757
Reservoirs-water	2 338 487	162 235	2 598 614	0	101 540	77 169	33	24	4 920 618
Water meters	406 818	75 085	0	0	21 666	14597	52262	1831	395 209
Water mains	30 864 581	1 119 433	2 343 898	32099	1 453 856	37 368	16 466	7 599	32 859 920
Other	185 001 025	11 511 183	19 321 399	33 023	8 245 089	475 871	357 896	7 438	206 795 212
Community assets	37 564 871	1 346 275	668 023	20 324	1 942 547	65 089	48 244	491	37 544 104
Parks and gardens	701 554	87 803	8 307	764	43 732	127	3627	124	751 066
Libraries	531 456	42 622	2 495	227	33 275	0	170	5	543 360
Recreation facilities	13 487 664	181 647	146 031	100	620 775	7 913	539	38	13 186 253
Civic buildings	3 723 645	173 640	50 142	742	224 033	1 480	7 496	103	3 715 263
Other	19 120 552	860 563	461 048	18 491	1 020 732	55 569	36 412	221	19 348 162
Heritage assets	5 430 880	26 772	2 852	13 985	33	9	5	0	5 474 442
Historical buildings	514 001	0	0	0	0	0	0	0	514 001
Paintings and art galleries	576 103	3 694	0	0	30	1	0	0	579 766
Other	4 340 776	23 078	2 852	13 985	3	8	5	0	4 380 675

Part 2: The consolidated analysis statement of property, plant and equipment, and other assets as at 30 June 2016 (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	2 949 706	201 777	322 536	0	103 513	872	15 387	7 496	3 361 743
Housing rental stock	1 991 177	114 305	0	0	80 882	519	10 447	7 496	2 021 130
Other	958 529	87 472	322 536	0	22 631	353	4940	0	1 340 613
Leased assets	799 173	309 213	0	0	247 380	1995	47 991	23 316	834 336
Other assets	48 762 629	9 518 327	711 732	8 318	4 967 740	62 670	573 537	209 329	53 606 388
Landfill sites	1 765 901	248 333	79 008	0	206 406	6 271	15 612	5	1 864 958
Office equipment	685 624	226 201	0	192	241 246	319	17 008	5 741	659 185
Furniture and fittings	1 227 665	212 695	0	33	257 628	410	31 286	21 701	1 172 770
Bins and containers	121 664	19 237	0	0	16 852	70	241	169	123 907
Emergency equipment	93 073	11 512	0	0	15 970	14	826	688	88 463
Motor vehicles	4 770 086	663 046	0	2 780	776 368	5 462	124 651	63 217	4 592 648
Fire engines	969 994	412 603	0	0	113 742	205	2 756	180	1 266 074
Refuse tankers	73 289	1 345	0	0	7 872	1017	85	39	65 699
Computer equipment	1 184 101	436 370	0	309	395 797	425	45 377	38 208	1 217 389
Councillors' regalia	586	0	0	0	0	0	0	0	586
Conservancy tankers	3 667	0	0	0	502	0	0	0	3 165
Water crafts	29 307	41	0	0	75	0	0	0	29 273
Plant and other equipment	14 772 977	686 607	28 238	590	850 340	5 822	60 217	28 507	14 600 540
Other	23 064 695	6 600 337	604 486	4 414	2 084 942	42 655	275 478	50 874	27 921 731
TOTAL PPE	543 339 774	33 476 798	29 956 576	140 134	26 750 851	973 520	1 542 228	277 697	577 924 380
Investment property	23 129 801	81 787	6 969	356 283	70 089	14 118	83 923	0	23 406 710
Intangible assets	3 844 781	954 709	37 789	0	702 154	2 044	207 739	487	3 925 829
Biological (cultivated) assets	259 141	3 806	0	11 864	1 230	150	6 958	0	266 473
TOTAL	570 573 497	34 517 100	30 001 334	508 281	27 524 324	989 832	1 840 848	278 184	605 523 392

Part 3: Consolidated statement of financial performance of municipalities for the years ended 30 June 2015 and 30 June 2016: Expenditure

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2015*	2016	2015*	2016	2015*(a)	2016(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	47 184 044	52 555 600	26 215 674	29 271 454	73 399 718	81 827 054	8 427 336
Remuneration of board of directors/councillors	3 306 116	3 505 797	0	0	3 306 116	3 505 797	199 681
Interest paid	4 989 248	5 490 735	2 727 257	3 173 607	7 716 505	8 664 342	947 837
Loss on disposal of property, plant and equipment	946 804	668 839	136 698	50 731	1 083 502	719 570	-363 932
Bad debts	12 298 430	12 965 460	9 435 628	7 947 292	21 734 058	20 912 752	-821 306
Contracted services	9 153 440	8 564 184	7 960 858	9 664 766	17 114 298	18 228 950	1 114 652
Collection costs	834 596	841 149	79 297	140 006	913 893	981 155	67 262
Depreciation and amortisation	12 775 584	12 309 357	13 953 085	15 214 967	26 728 669	27 524 324	795 655
Impairment loss (PPE)	1 301 560	898 286	221 960	91 546	1 523 520	989 832	-533 688
Repairs and maintenance	5 109 443	4 022 825	7 922 185	9 732 133	13 031 628	13 754 958	723 330
Bulk purchases:							
Purchases of water	0	0	15 427 106	17 254 264	15 427 106	17 254 264	1 827 158
Purchases of electricity	0	0	62 129 291	70 291 459	62 129 291	70 291 459	8 162 168
Other (e.g. sewer purification etc.)	0	0	84 103	208 826	84 103	208 826	124 723
Grants and subsidies paid to:							
Other local government institutions	419 135	573 000	34 520	51 191	453 655	624 191	170 536
Tertiary institutions of higher learning	19 183	37 810	0	0	19 183	37 810	18 627
Households or individuals	1 321 610	990 104	1 652 564	1 708 161	2 974 174	2 698 265	-275 909
Non-profit institutions serving households	7 429	8 385	0	0	7 429	8 385	956
Other	1 995 640	1 706 946	855 773	1 035 357	2 851 413	2 742 303	-109 110
General expenditure:							
Accommodation, travelling and subsistence	756 306	759 987	92 667	109 488	848 973	869 475	20 502
Advertising, promotions and marketing	603 128	907 841	158 908	134 898	762 036	1 042 739	280 703
Audit fees	870 223	933 493	55 062	24 334	925 285	957 827	32 542
Bank charges	279 689	303 339	13 355	18 984	293 044	322 323	29 279
Cleaning services	125 209	143 638	58 314	141 335	183 523	284 973	101 450
Consultancy and professional fees	1 900 848	1 952 345	538 042	607 110	2 438 890	2 559 455	120 565
Entertainment costs	111 547	182 642	7 583	7 685	119 130	190 327	71 197
Fuel and oil	866 224	747 851	759 724	843 152	1 625 948	1 591 003	-34 945

¹Difference (b-a).

*Some figures have been revised.

Part 3: Consolidated statement of financial performance of municipalities for the years ended 30 June 2015 and 30 June 2016: Expenditure (concluded)

Expenditure	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2015*	2016	2015*	2016	2015*(a)	2016(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Hiring of plant and equipment	473 342	602 999	203 053	219 397	676 395	822 396	146 001
Insurance costs	753 084	792 834	84 771	126 284	837 855	919 118	81 263
Pharmaceutical	108 140	120 878	4 814	4 243	112 954	125 121	12 167
Postal and courier services	237 889	249 623	7 312	7 619	245 201	257 242	12 041
Printing and stationery	537 462	595 675	132 349	89 617	669 811	685 292	15 481
Rebates for property rates	3 418 562	3 539 573	0	0	3 418 562	3 539 573	121 011
Rebates for service charges	0	0	560 465	672 070	560 465	672 070	111 605
Rental of land, buildings and other structures	576 918	1 296 815	729 597	107 746	1 306 515	1 404 561	98 046
Rental of office equipment	280 258	384 706	47 945	78 064	328 203	462 770	134 567
Security services	1 154 506	1 306 776	336 312	531 076	1 490 818	1 837 852	347 034
Subscriptions and membership fees	441 414	475 196	14 254	10 543	455 668	485 739	30 071
Telecommunication services	861 787	1 023 075	160 273	164 767	1 022 060	1 187 842	165 782
Training and education	604 700	728 087	145 770	119 884	750 470	847 971	97 501
Transport costs	138 158	286 364	167 720	92 213	305 878	378 577	72 699
Other expenditure	11 452 964	12 307 442	9 086 660	9 961 112	20 539 624	22 268 554	1 728 930
Taxation	25 178	29 037	237 238	248 662	262 416	277 699	15 283
Surplus	42 805 444	51 939 798	31 968 365	31 311 974	74 773 809	83 251 772	8 477 963
Total expenditure	171 045 242	186 748 491	194 406 552	211 468 017	365 451 794	398 216 508	32 764 714

¹Difference (b-a).

*Some figures have been revised.

Part 3: Consolidated statement of financial performance of municipalities for the years ended 30 June 2015 and 30 June 2016: Income

Income	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2015*	2016	2015*	2016	2015*(a)	2016(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	
Property rates from:							
Residential	24 462 128	26 723 301	0	0	24 462 128	26 723 301	2 261 173
Commercial or business	14 384 118	15 258 812	0	0	14 384 118	15 258 812	874 694
State	2 020 815	2 185 828	0	0	2 020 815	2 185 828	165 013
Other (includes agricultural, municipal, etc.)	6 848 432	7 810 616	0	0	6 848 432	7 810 616	962 184
Property rates – penalties imposed and collection charges	422 267	387 400	0	0	422 267	387 400	-34 867
Service charges:							
Sales of water	0	0	26 347 733	29 744 740	26 347 733	29 744 740	3 397 007
Sales of electricity	0	0	85 801 530	94 290 158	85 801 530	94 290 158	8 488 628
Refuse removal charges	0	0	8 373 337	9 141 217	8 373 337	9 141 217	767 880
Sewerage and sanitation charges	0	0	10 677 384	11 794 584	10 677 384	11 794 584	1 117 200
Other service charges (e.g. fresh produce market etc.)	0	0	1 608 902	1 871 994	1 608 902	1 871 994	263 092
Interest earned from:							
External investments	3 240 218	3 938 238	290 250	423 836	3 530 468	4 362 074	831 606
Outstanding debtors	2 685 461	3 185 941	1 189 102	1 519 706	3 874 563	4 705 647	831 084
Dividends received	906	711	41	150	947	861	-86
Fines	4 317 901	4 877 930	41 447	35 321	4 359 348	4 913 251	553 903
Licences and permits	413 525	460 807	296 462	249 928	709 987	710 735	748
Income for agency services	702 952	681 873	658 871	768 059	1 361 823	1 449 932	88 109
Rental of facilities and equipment	1 071 490	1 063 815	857 409	937 452	1 928 899	2 001 267	72 368
Bad debts recovered	16 726	71 290	0	0	16 726	71 290	54 564
Public contributions and donations (including PPE)	1 251 871	1 113 340	283 236	613 807	1 535 107	1 727 147	192 040
Gains on the disposal of property, plant and equipment	178 591	352 439	56 830	15 503	235 421	367 942	132 521
Grants and subsidies from:							
National government	31 946 664	42 399 722	13 918 427	8 778 640	45 865 091	51 178 362	5 313 271
Provincial government	123 443	342 413	118 629	251 667	242 072	594 080	352 008
Local government	27 379	1 033	4 090	186	31 469	1 219	-30 250
Other	92 148	44 000	21 896	148 921	114 044	192 921	78 877
Spent conditional grants	29 390 320	26 447 235	18 873 334	24 516 649	48 263 654	50 963 884	2 700 230

¹Difference (b-a).

*Some figures have been revised.

Part 3: Consolidated statement of financial performance of municipalities for the years ended 30 June 2015 and 30 June 2016: Income (concluded)

	Total rates and general services		Total housing and trading services		Grand total		Difference ¹
	2015*	2016	2015*	2016	2015*(a)	2016(b)	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Income							
Other income	12 128 580	11 067 722	4 421 366	3 421 900	16 549 946	14 489 622	-2 060 324
Deficit	35 319 307	38 334 025	20 566 276	22 943 599	55 885 583	61 277 624	5 392 041
Total income	171 045 242	186 748 491	194 406 552	211 468 017	365 451 794	398 216 508	32 764 714

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 2015 and 30 June 2016:
Expenditure

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	20 033 353	24 907 414	3 031 365	3 241 110	2 979 102	3 715 025	4 567 395	4 246 223	3 543 278	3 759 891
Remuneration of board of directors/councillors	3 306 116	3 505 797	0	0	0	0	0	0	0	0
Interest paid	4 669 235	5 190 104	44 245	67 430	82 302	70 300	30 115	15 236	20 632	47 730
Loss on disposal of property, plant and equipment	920 803	639 081	471	273	679	934	1 202	407	1 722	5 226
Bad debts	9 675 524	10 550 419	5 293	2 826	5 546	8 272	72 747	10 870	73 715	55 359
Contracted services	5 330 688	5 967 195	44 633	54 737	261 128	424 090	411 843	411 564	193 628	408 083
Collection costs	772 545	783 590	0	0	0	0	5	82	1 697	30
Depreciation and amortisation	8 939 425	9 802 280	125 458	97 481	922 594	1 007 377	537 206	402 851	418 493	368 376
Impairment loss (PPE)	1 233 598	887 540	5	36	4 352	3 235	72	138	1 041	5 884
Repairs and maintenance	4 035 946	2 810 333	29 720	35 100	263 338	360 408	241 516	268 701	156 551	165 019
Grants and subsidies paid to:										
Other local government institutions	328 386	319 459	0	31	0	0	198	4 911	56 475	238 446
Tertiary institutions of higher learning	19 183	37 321	0	0	0	0	0	489	0	0
Households or individuals	1 223 662	970 442	11 086	0	3 908	0	12 377	18 909	55 511	0
Non-profit institutions serving households	6 971	8 385	0	0	0	0	0	0	0	0
Other	1 443 485	1 068 126	29 331	34 844	42 619	74 911	186 273	232 555	110 321	212 606
General expenditure:										
Accommodation, travelling and subsistence	609 280	611 198	7 396	8 477	4 638	8 691	40 230	41 139	50 020	52 973
Advertising, promotions and marketing	460 773	814 720	597	1 375	1 645	8 555	78 454	20 381	27 882	56 758
Audit fees	852 381	931 600	2 858	0	172	163	2 239	33	5 995	1 006
Bank charges	263 255	292 847	0	0	71	230	1 313	272	862	846
Cleaning services	78 424	108 154	2 709	2 199	16 593	23 736	19 901	6 236	1 010	871
Consultancy and professional fees	1 654 120	1 804 380	1 418	1 341	5 380	11 131	35 307	40 192	69 447	75 763

*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 2015 and 30 June 2016:
Expenditure (continued)**

Expenditure	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	102 788	170 362	446	803	873	506	2 665	4 342	2 297	2 988
Fuel and oil	488 132	449 063	8 335	8 881	51 530	56 765	35 059	34 191	15 096	10 671
Hiring of plant and equipment	403 083	552 332	4 564	2 215	11 247	5 754	15 720	14 512	4 612	3 592
Insurance costs	702 281	715 719	1 449	29 898	5 642	8 265	6 521	7 098	3 610	6 584
Pharmaceutical	69	249	107 339	120 187	249	342	344	14	0	0
Postal and courier services	215 026	233 733	49	2 232	395	51	1 961	2 060	2 417	1 188
Printing and stationery	319 223	447 492	20 589	15 164	7 727	11 319	26 178	25 256	21 838	25 507
Rebates for property rates	3 418 562	3 539 573	0	0	0	0	0	0	0	0
Rental of land, buildings and other structures	468 003	1 240 732	6 581	16 867	661	342	26 998	22 056	26 248	4 999
Rental of office equipment	253 891	341 605	1 603	1 167	921	4 310	5 544	4 173	3 349	19 682
Security services	331 137	418 229	22 530	45 316	82 456	159 726	103 242	94 721	10 190	9 478
Subscriptions and membership fees	431 175	467 278	258	1 079	248	1 818	3 746	1 359	3 301	1 796
Telecommunication services	664 530	914 418	12 941	12 346	10 367	14 436	34 400	29 623	20 237	14 850
Training and education	493 239	637 870	6 602	10 731	5 599	8 739	22 230	17 931	15 168	12 047
Transport costs	100 856	259 989	451	296	11 001	8 494	13 023	5 967	3 298	1 861
Other expenditure	6 747 669	7 706 090	318 340	361 266	618 473	756 322	1 139 459	877 042	859 205	990 503
Taxation	18 576	26 806	0	0	0	0	20	0	6 582	2 231
Surplus	40 086 788	49 384 634	35 622	47 172	79 182	61 494	281 081	195 653	723 254	685 829
Total expenditure	121 102 181	139 516 559	3 884 284	4 222 880	5 480 638	6 815 741	7 956 584	7 057 187	6 508 982	7 248 673

*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 2015 and 30 June 2016:
Expenditure (continued)**

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	5 211 698	6 499 920	2 450 121	3 119 135	2 781 130	2 238 937	2 586 602	827 945
Remuneration of board of directors/councillors	0	0	0	0	0	0	0	0
Interest paid	12 223	13 375	19 576	11 607	41 659	4 500	69 261	70 453
Loss on disposal of property, plant and equipment	18 919	496	1 133	499	912	57	963	21 866
Bad debts	974 230	2 103 783	14 559	10 258	717 250	84 403	759 566	139 270
Contracted services	606 504	651 976	86 266	159 744	367 853	388 903	1 850 897	97 892
Collection costs	3 508	53 578	0	0	54 848	0	1 993	3 869
Depreciation and amortisation	132 749	136 879	140 731	119 960	159 948	98 683	1 398 980	275 470
Impairment loss (PPE)	8 502	4	74	346	674	1 103	53 242	0
Repairs and maintenance	103 678	91 658	56 192	62 917	83 413	65 612	139 089	163 077
Grants and subsidies paid to:								
Other local government institutions	0	0	4 141	8 601	29 935	1 552	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households or individuals	19	95	0	0	0	0	15 047	658
Non-profit institutions serving households	0	0	0	0	0	0	458	0
Other	0	3 009	15 962	27 073	8 533	7 277	159 116	46 545
General expenditure:								
Accommodation, travelling and subsistence	19 314	17 862	4 291	5 136	6 265	6 080	14 872	8 431
Advertising, promotions and marketing	1 160	1 710	1 540	1 571	394	1 504	30 683	1 267
Audit fees	5 631	394	108	64	0	0	839	233
Bank charges	13 957	8 881	0	0	72	79	159	184
Cleaning services	671	781	1 480	622	1 941	891	2 480	148
Consultancy and professional fees	4 978	3 517	456	1 507	2 032	6 111	127 710	8 403

*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 2015 and 30 June 2016:
Expenditure (concluded)**

Expenditure	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	205	363	83	662	617	2 288	1 573	328
Fuel and oil	49 437	91 389	19 870	28 293	69 923	53 654	128 842	14 944
Hiring of plant and equipment	6 797	5 547	3 097	1 954	9 648	16 883	14 574	210
Insurance costs	4 623	8 279	4 627	4 925	2 261	5 230	22 070	6 836
Pharmaceutical	0	0	15	9	6	66	118	11
Postal and courier services	11 363	9 762	50	178	2 785	36	3 843	383
Printing and stationery	99 943	57 216	2 902	4 479	13 456	6 066	25 606	3 176
Rebates for property rates	0	0	0	0	0	0	0	0
Rental of land, buildings and other structures	589	4 610	2 080	2 964	3 938	4 195	41 820	50
Rental of office equipment	3 124	1 252	1 140	955	1 296	2 207	9 390	9 355
Security services	349 459	432 461	8 900	12 223	61 211	119 318	185 381	15 304
Subscriptions and membership fees	464	344	249	921	191	461	1 782	140
Telecommunication services	11 389	13 828	9 552	10 240	9 805	5 518	88 566	7 816
Training and education	6 356	10 777	3 817	4 895	11 841	9 361	39 848	15 736
Transport costs	4 930	5 108	3 809	3 584	68	141	722	924
Other expenditure	400 505	558 176	116 404	208 030	311 025	356 808	941 884	493 205
Taxation	0	0	0	0	0	0	0	0
Surplus	350 508	271 729	213 614	30 406	207 552	6 102	827 843	1 256 779
Total expenditure	8 417 433	11 058 759	3 186 839	3 843 758	4 962 482	3 494 026	9 545 819	3 490 908

*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 2015 and 30 June 2016:
Income

Income	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates from:										
Residential	24 444 123	26 702 807	0	0	0	0	0	0	18 005	20 494
Commercial or business	14 371 840	15 246 574	0	0	0	0	0	0	12 278	12 238
State	2 009 386	2 171 689	0	0	0	0	0	0	11 429	14 139
Other (includes agricultural, municipal, etc.)	6 848 432	7 810 610	0	0	0	0	0	0	0	6
Property rates – penalties imposed and collection charges	392 060	387 400	0	0	0	0	0	0	0	0
Interest earned from:										
External investments	2 792 311	3 915 475	0	0	14 102	3 567	5 923	0	18 568	4 039
Outstanding debtors	2 660 706	3 184 111	65	52	0	1	156	448	64	73
Dividends received	895	711	0	0	0	0	0	0	5	0
Fines	357 058	497 207	142	371	619	2 141	72 945	26 525	32 897	2 953
Licences and permits	79 405	108 504	2 382	2 239	1 261	2 631	18 642	29 924	34 377	10 044
Income for agency services	317 904	302 706	0	27 206	0	0	6 524	5 188	415	15 932
Rental of facilities and equipment	743 689	765 341	2 832	1 505	173 978	169 648	77 926	74 924	44 425	38 616
Bad debts recovered	16 726	71 290	0	0	0	0	0	0	0	0
Public contributions and donations (including PPE)	1 064 985	939 493	505	839	21 792	4 428	14 589	18 293	112 276	103 993
Gains on the disposal of property, plant and equipment	166 724	341 462	49	116	898	1 233	127	2 127	1 392	6 567

*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 2015 and 30 June 2016:
Income (continued)

Income	Finance, administration, executive and council		Health services		Sport and recreation		Community and social services		Planning and development	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	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	28 293 711	39 878 613	519 902	155 771	87 659	93 585	698 599	652 913	771 328	756 410
Provincial government	5 341	24 543	96 650	193 229	5 968	6 269	2 050	57 353	10 261	0
Local government	25 419	1 033	968	0	0	0	369	0	0	0
Other	83 599	360	0	11 717	0	49	8 549	18 007	0	12 700
Spent conditional grants	22 262 519	22 006 221	658 743	865 579	273 360	121 751	895 244	421 805	1 153 019	839 136
Other income	8 810 737	9 632 155	25 419	17 606	110 683	190 653	233 481	150 329	530 255	659 206
Deficit	5 354 611	5 528 254	2 576 627	2 946 650	4 790 318	6 219 785	5 921 460	5 599 351	3 757 988	4 752 127
Total income	121 102 181	139 516 559	3 884 284	4 222 880	5 480 638	6 815 741	7 956 584	7 057 187	6 508 982	7 248 673

*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 2015 and 30 June 2016:
Income (continued)**

Income	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	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	30 207	0
Interest earned from:								
External investments	0	12	0	0	1	0	409 313	15 145
Outstanding debtors	0	21	0	1 149	1 044	86	23 426	0
Dividends received	0	0	0	0	0	0	6	0
Fines	2 701 518	4 181 475	772	4 013	1 151 946	163 245	4	0
Licences and permits	198 980	292 588	382	448	69 745	10 891	8 351	3 538
Income for agency services	303 709	324 839	1 034	2 608	17 882	3 394	55 484	0
Rental of facilities and equipment	585	1 443	0	522	4 257	1 528	23 798	10 288
Bad debts recovered	0	0	0	0	0	0	0	0
Public contributions and donations (including PPE)	0	1 721	0	0	4 493	3 280	33 231	41 293
Gains on the disposal of property, plant and equipment	0	93	35	161	144	28	9 222	652

*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 2015 and 30 June 2016:
Income (concluded)**

Income	Traffic control		Fire protection		Other public order and safety		Other rates and general services	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Grants and subsidies from:								
National government	45 744	44 465	64 841	209 444	295 098	87 136	1 169 782	521 385
Provincial government	3 173	0	0	0	0	59 687	0	1 332
Local government	0	0	623	0	0	0	0	0
Other	0	0	0	0	0	1 167	0	0
Spent conditional grants	74 537	30 050	358 506	143 852	234 379	214 018	3 480 013	1 804 823
Other income	142 752	202 250	145 603	154 673	113 989	37 328	2 015 661	23 522
Deficit	4 946 435	5 979 802	2 615 043	3 326 888	3 069 504	2 912 238	2 287 321	1 068 930
Total income	8 417 433	11 058 759	3 186 839	3 843 758	4 962 482	3 494 026	9 545 819	3 490 908

*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 2015 and 30 June 2016:
Expenditure

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	1 285 365	1 331 414	828 282	1 259 585	5 083 652	5 666 563	2 163 874	2 327 407
Interest paid	183 719	357 026	13 623	2 778	247 495	326 822	267 453	302 077
Loss on disposal of property, plant and equipment	15 975	11 703	33	275	4 712	9 767	981	370
Bad debts	1 126 250	558 190	49 206	47 890	921 350	481 640	825 386	722 437
Contracted services	792 455	670 003	138 175	215 257	2 016 439	2 474 480	639 042	641 430
Collection costs	9 952	9 144	0	17	0	8	30	8
Depreciation and amortisation	515 994	624 105	90 573	87 408	658 780	658 593	1 308 797	1 504 011
Impairment loss (PPE)	14 588	5 192	0	0	6 503	867	125 535	5 895
Repairs and maintenance	139 757	335 127	32 728	33 663	450 206	461 019	657 455	1 074 571
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	83 537	208 300
Grants and subsidies paid to:								
Other local government institutions	0	0	1 552	1 197	0	0	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households or individuals	153 608	158 153	2 332	0	218 217	299 738	374 389	224 629
Non-profit institutions serving households	0	0	0	0	0	0	0	0
Other	480 293	392 926	5 800	3 627	45 482	26 801	59 095	16 841
General expenditure:								
Accommodation, travelling and subsistence	5 946	7 550	6 481	6 565	6 989	4 915	2 996	3 935
Advertising, promotions and marketing	6 194	4 091	204	787	3 902	4 529	452	481
Audit fees	1 765	55	14	0	8 171	2 002	2 551	1 198
Bank charges	161	136	8	0	92	50	51	851
Cleaning services	7 674	13 489	251	256	11 042	49 390	9 425	16 595
Consultancy and professional fees	43 701	24 414	2 975	13 228	29 142	39 999	3 290	16 256

*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 2015 and 30 June 2016:
Expenditure (continued)**

Expenditure	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	402	367	400	278	376	332	248	380
Fuel and oil	4 273	8 084	6 665	19 937	225 229	265 713	43 872	46 278
Hiring of plant and equipment	5 931	2 915	7 050	1 180	42 927	33 323	26 779	36 099
Insurance costs	8 979	11 410	787	3 126	4 226	7 862	4 660	6 214
Pharmaceutical	1	5	1	0	2	5	1 631	1 526
Postal and courier services	101	600	23	45	267	202	336	371
Printing and stationery	9 148	7 916	2 449	2 053	6 997	6 213	2 341	2 489
Rebates for service charges	0	0	0	0	95 288	110 350	103 287	130 081
Rental of land, buildings and other structures	41 139	45 720	162	2 207	13 371	16 655	938	121
Rental of office equipment	496	565	285	4 069	30 935	30 318	3 337	3 507
Security services	38 720	56 730	5 825	19 685	47 016	125 906	21 045	30 720
Subscriptions and membership fees	396	688	127	386	301	420	102	296
Telecommunication services	9 302	9 463	4 768	3 898	7 563	8 022	5 063	3 778
Training and education	2 632	4 076	1 368	2 536	5 924	10 039	4 950	6 288
Transport costs	853	874	3 541	1 078	25 236	24 514	2 164	2 589
Other expenditure	1 399 400	1 413 922	198 956	192 899	1 124 507	1 007 218	723 444	720 380
Taxation	0	935	0	0	0	0	18	0
Surplus	2 547 903	2 821 109	152 353	14 664	1 845 910	1 903 943	7 284 125	7 469 666
Total expenditure	8 853 073	8 888 097	1 556 997	1 940 574	13 188 249	14 058 218	14 752 679	15 528 075

*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 2015 and 30 June 2016:
Expenditure (continued)

Expenditure	Road transport		Water		Electricity		Other trading services	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Employee-related costs	4 633 877	5 265 628	6 053 074	6 536 119	5 725 031	6 172 288	442 519	712 450
Interest paid	363 000	385 523	707 098	720 499	900 167	964 019	44 702	114 863
Loss on disposal of property, plant and equipment	12 690	16 635	58 194	5 269	44 048	6 666	65	46
Bad debts	122 259	7 299	3 207 254	4 467 612	3 181 425	1 626 336	2 498	35 888
Contracted services	1 560 220	2 217 701	826 671	1 344 855	1 952 165	2 002 293	35 691	98 747
Collection costs	0	1 506	491	9	68 824	129 314	0	0
Depreciation and amortisation	5 565 550	6 268 959	2 820 354	2 800 510	2 917 053	2 890 594	75 984	380 787
Impairment loss (PPE)	42 011	5 120	25 972	63 520	6 508	10 589	843	363
Repairs and maintenance	1 855 357	2 130 251	1 762 024	2 175 751	2 939 015	3 434 011	85 643	87 740
Bulk purchases:								
Purchases of water	0	0	15 427 106	17 254 264	0	0	0	0
Purchases of electricity	0	0	0	0	62 129 291	70 291 459	0	0
Other bulk purchases	0	0	0	0	0	0	566	526
Grants and subsidies paid to:								
Other local government institutions	0	1 981	32 968	48 013	0	0	0	0
Tertiary institutions of higher learning	0	0	0	0	0	0	0	0
Households or individuals	22 191	26 980	611 017	562 903	270 810	435 758	0	0
Non-profit institutions serving households	0	0	0	0	0	0	0	0
Other	18 933	36 012	163 268	250 277	65 094	173 056	17 808	135 817
General expenditure:								
Accommodation, travelling and subsistence	21 319	25 576	25 063	34 496	17 557	21 989	6 316	4 462
Advertising, promotions and marketing	14 078	49 014	17 491	22 037	22 053	24 661	94 534	29 298
Audit fees	5 779	1 065	14 526	5 130	19 622	14 884	2 634	0
Bank charges	2 023	4 568	276	285	2 450	4 751	8 294	8 343
Cleaning services	9 620	29 609	3 453	6 694	5 049	5 738	11 800	19 564
Consultancy and professional fees	106 585	118 613	48 966	51 416	288 295	277 726	15 088	65 458

*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 2015 and 30 June 2016:
Expenditure (concluded)**

Expenditure	Road transport		Water		Electricity		Other trading services	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Entertainment costs	1 818	1 529	3 492	1 798	817	2 943	30	58
Fuel and oil	189 722	229 486	183 644	188 862	88 652	81 967	17 667	2 825
Hiring of plant and equipment	21 462	15 044	89 434	60 703	8 739	3 004	731	67 129
Insurance costs	12 003	34 591	7 725	11 283	43 046	47 587	3 345	4 211
Pharmaceutical	0	12	3 175	2 656	4	38	0	1
Postal and courier services	139	395	4 423	3 930	1 989	2 026	34	50
Printing and stationery	43 725	30 144	35 676	22 704	27 960	13 064	4 053	5 034
Rebates for service charges	0	0	123 631	165 551	238 259	266 088	0	0
Rental of land, buildings and other structures	34 497	7 051	125 526	25 102	509 741	1 693	4 223	9 197
Rental of office equipment	6 499	4 830	2 707	30 157	3 457	3 978	229	640
Security services	30 602	72 422	58 382	83 264	117 473	103 652	17 249	38 697
Subscriptions and membership fees	10 599	2 514	1 523	1 125	837	4 207	369	907
Telecommunication services	43 114	36 593	28 399	32 679	58 359	67 077	3 705	3 257
Training and education	83 468	20 838	26 024	32 760	19 477	37 276	1 927	6 071
Transport costs	78 807	19 382	37 100	33 243	19 789	10 336	230	197
Other expenditure	1 438 538	1 957 845	2 404 017	2 556 336	1 630 321	1 617 705	167 477	494 807
Taxation	0	0	0	0	226 481	218 831	10 739	28 896
Surplus	2 104 708	2 067 305	6 519 635	6 365 970	10 149 289	10 500 070	1 364 442	169 247
Total expenditure	18 455 193	21 092 021	41 459 779	45 967 782	93 699 147	101 467 674	2 441 435	2 525 576

*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 2015 and 30 June 2016:
Income

	Housing		Environmental protection		Waste management (solid waste)		Waste water management (sewerage and sanitation)	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
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	8 373 337	9 141 217	0	0
Sewerage and sanitation charges	0	0	0	0	0	0	10 677 384	11 794 584
Other service charges (e.g. fresh produce market etc.)	0	0	0	0	0	0	0	0
Interest earned from:								
External investments	29 334	18 408	17 598	29 395	950	0	734	0
Outstanding debtors	37 043	46 921	4 122	78	116 004	169 384	86 465	104 541
Dividends received	0	0	0	0	0	0	41	0
Fines	54	35	127	23	306	137	3	339
Licences and permits	461	486	847	1 444	2 669	3 126	0	0
Income for agency services	1 250	1 030	2 817	2 036	0	0	0	0
Rental of facilities and equipment	553 994	619 199	4 966	2 715	12 874	7 909	2 740	3 180
Bad debts recovered	0	0	0	0	0	0	0	0
Public contributions and donations (including PPE)	0	22 551	3 801	117	5	5 500	35 504	14 965
Gains on the disposal of property, plant and equipment	14 256	4 951	86	51	3 998	3 160	59	64
Grants and subsidies from:								
National government	1 073 147	372 783	216 571	59 824	1 120 891	1 176 931	1 151 820	1 502 036
Provincial government	37 131	231 382	0	123	0	0	9 628	6 620
Local government	322	186	0	0	317	0	1 702	0
Other	0	108 084	0	2 816	0	0	2 520	2 782
Spent conditional grants	5 718 438	6 086 281	89 035	42 775	750 307	1 105 769	1 889 328	1 397 811
Other income	91 684	116 891	93 691	90 053	353 731	360 679	213 343	250 448
Deficit	1 295 959	1 258 909	1 123 336	1 709 124	2 452 860	2 084 406	681 408	450 705
Total income	8 853 073	8 888 097	1 556 997	1 940 574	13 188 249	14 058 218	14 752 679	15 528 075

*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 2015 and 30 June 2016: Income (concluded)

Income	Road transport		Water		Electricity		Other trading services	
	2015*	2016	2015*	2016	2015*	2016	2015*	2016
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Service charges:								
Sales of water	0	0	26 347 733	29 744 740	0	0	0	0
Sales of electricity	0	0	0	0	85 801 530	94 290 158	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	1 608 902	1 871 994
Interest earned from:								
External investments	0	2 373	79	0	233 682	371 552	7 873	2 108
Outstanding debtors	33 416	11 109	622 935	833 367	288 553	347 213	564	7 093
Dividends received	0	0	0	0	0	150	0	0
Fines	19 481	16 243	53	184	21 371	18 214	52	146
Licences and permits	292 294	243 296	5	1 390	18	0	168	186
Income for agency services	653 458	757 932	1 344	2 272	0	4 788	2	1
Rental of facilities and equipment	171 186	172 296	8 545	11 041	2 898	5 996	100 206	115 116
Bad debts recovered	0	0	0	0	0	0	0	0
Public contributions and donations (including PPE)	34 877	47 339	29 708	236 346	179 341	286 767	0	222
Gains on the disposal of property, plant and equipment	5	953	4 895	2 883	33 531	3 436	0	5
Grants and subsidies from:								
National government	3 727 933	931 187	4 391 167	3 539 610	2 220 476	1 177 845	16 422	18 424
Provincial government	64 542	1 000	5 121	7 006	2 207	5 536	0	0
Local government	1 749	0	0	0	0	0	0	0
Other	19 376	5 160	0	25 689	0	4 390	0	0
Spent conditional grants	5 362 001	9 533 144	3 591 676	4 477 919	1 456 817	1 854 180	15 732	18 770
Other income	1 168 747	1 161 188	701 252	658 819	1 534 123	683 351	264 795	100 471
Deficit	6 906 128	8 208 801	5 755 266	6 426 516	1 924 600	2 414 098	426 719	391 040
Total income	18 455 193	21 092 021	41 459 779	45 967 782	93 699 147	101 467 674	2 441 435	2 525 576

*Some figures have been revised.

Explanatory notes

Introduction

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

The publication consists of aggregated preliminary data for 2016 and revised data for 2015 in respect of:

- the consolidated statement of financial position of municipalities;
- the consolidated statement of financial performance of municipalities – rates and general services; and
- the consolidated statement of financial performance of municipalities – housing and trading services.

Unit data (for each municipality) for 2015 and 2016 are available on Stats SA's website.

Scope of census of municipalities

All 278 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.

Imputation

For the 2016 financial year there was no imputation for both unit and item as all municipalities supplied their annual financial statements.

Statistical unit

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

Reliability of estimates

Estimates are based on information furnished by respondents. These estimates are verified (using internal and external sources) and edited before being published.

Estimates for the current year in this publication are preliminary, while estimates for the previous year are now regarded as final.

Related publications

Users may wish to refer to the following Stats SA publications:

- P9110 *Quarterly financial statistics of municipalities*;
- P9114 *Financial census of municipalities (previous publications)*;
- P0277 *Quarterly employment statistics*;
- P9119.4 *Financial statistics of consolidated general government*; and
- P0441 *Gross domestic product*.

Comparability with previous census

This financial census of municipalities for the year ended 30 June 2016 is generally comparable with the publication for the year ended 30 June 2015.

Symbols and abbreviations used

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

Revision of data

Information for 2016 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.

Fluctuations between 2015* and 2016

The fluctuations in the data between 2015 and 2016 can be due to:

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

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 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.
Debt ratio	The proportion of debt the entity has relative to its assets.
Debt to income ratio	The measuring of the percentage of the entity's income that goes towards all debt payments.
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 and trading services

Housing includes all activities associated with the provision of housing. Trading services are services for which the tariffs are determined in such a way that the provision of the service should yield a trading profit (market-related goods and services). Trading services include waste management (refuse removal, solid waste disposal (landfill sites), street cleaning, recycling etc.), waste water management (sewerage, storm water management and public toilets), road transport (roads, public buses, parking garages, vehicle licensing and testing), water (water distribution, water storage), electricity (electricity distribution, electricity generation, street lighting) and other trading services which include environmental protection like pollution control, biodiversity & landscape and others like coastal protection etc., air transport, abattoirs, tourism, forestry, markets and licensing and regulation like licensing of food and liquor sales to the public and licensing of street traders (hawkers control) and businesses.

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 MEC 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': <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	The following, among other items, are included in 'Other income': <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

Provision is any 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 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.

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.
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.

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Forth coming issues	Issue	Expected release date
	Financial census of municipalities	June 2018

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