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Quarterly financial statistics of municipalities

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Key findings

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

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

* Some figures have been revised.

Table A shows annual growth rates in the purchases and sales of water and electricity, based on rand values. From the March 2017 quarter to the March 2018 quarter, purchases of water increased by 8,4% and sales of water increased by 19,4%, while purchases of electricity decreased by 5,2% and sales of electricity increased by 2,8%.

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

Item	Quarter ended:					
	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
	Quarter-on-quarter % change, seasonally adjusted					
Purchases of water	-10,8	-0,2	11,4	-5,1	2,5	0,3
Sales of water	-3,7	0,3	12,9	-2,2	3,4	4,8
Purchases of electricity	1,8	-1,7	-3,4	-3,2	0,8	0,1
Sales of electricity	-4,5	2,0	-0,2	-1,5	2,1	1,1

* Some figures have been revised

Table B shows quarterly growth rates in the purchases and sales of water and electricity, seasonally adjusted. From the December 2017 quarter to the March 2018 quarter, purchases of water increased by 0,3% and sales of water increased by 4,8%, while purchases of electricity increased by 0,1% and sales of electricity increased by 1,1%.

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

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

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

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

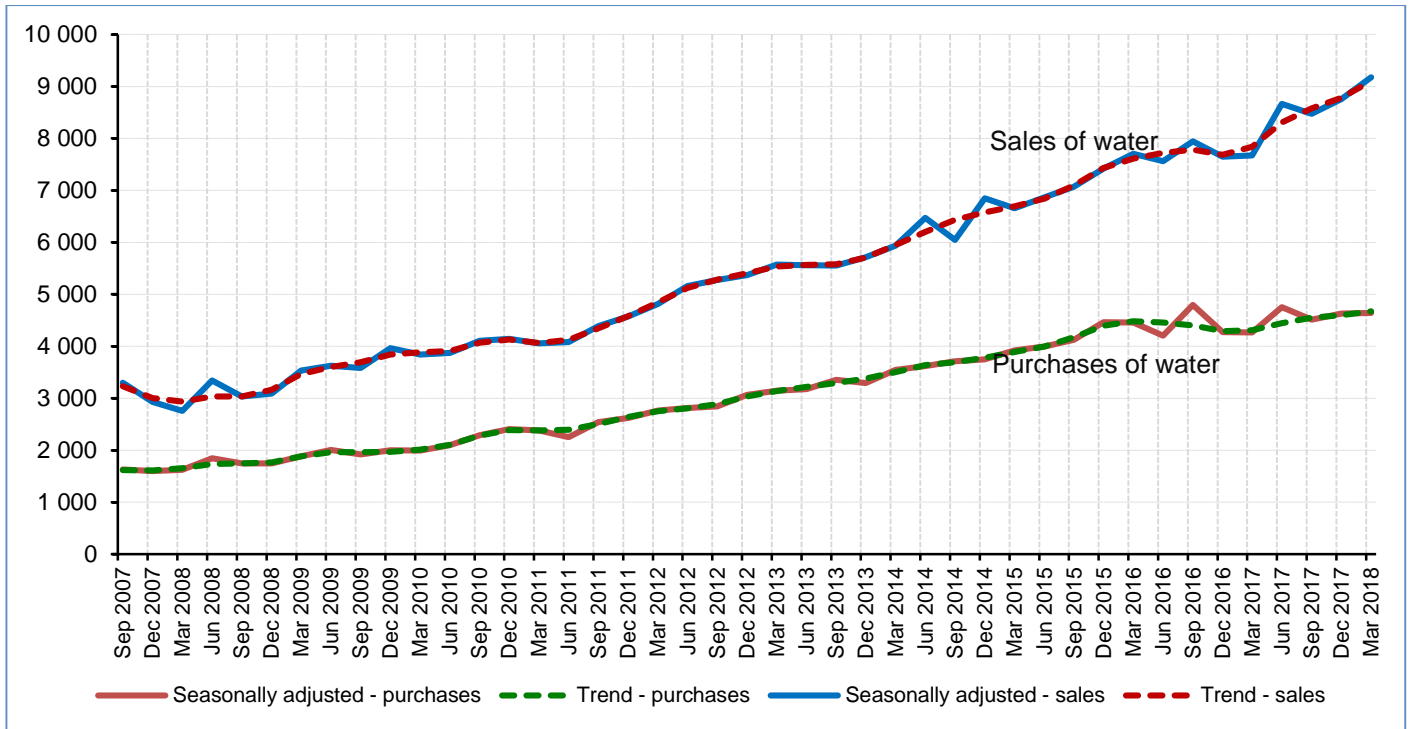
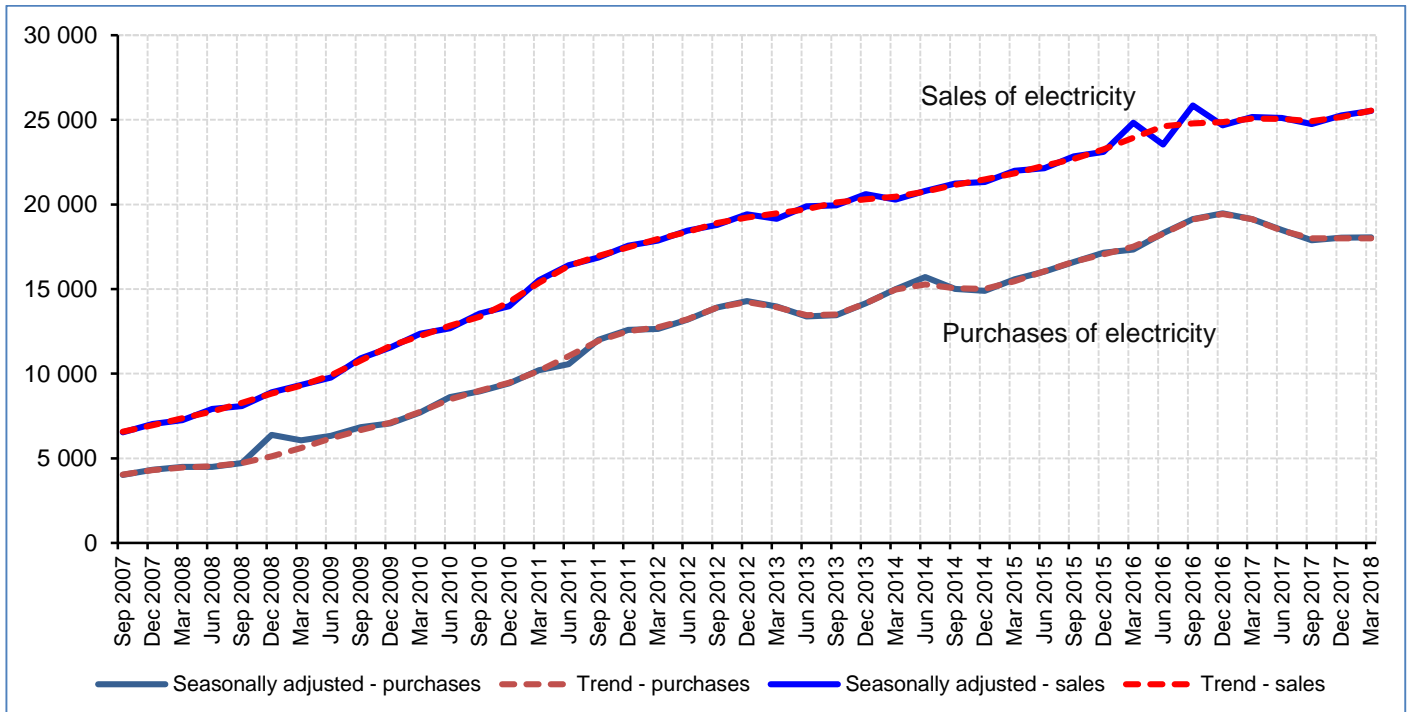


Figure 2 – Purchases and sales of electricity, seasonally adjusted, R million



Risenga Maluleke
Statistician-General

Table 1 – Consolidated statement of financial performance of municipalities for the quarters ended September 2017, December 2017 and March 2018: Expenditure – South Africa

Expenditure	September 2017	December 2017*	March 2018	Difference between quarters ended Dec. 2017 and Mar. 2018
Employee-related costs	22 601	24 802	22 891	-1 911
Remuneration of board of directors/councillors	873	899	1 037	138
Interest paid	1 562	3 033	1 923	-1 110
Loss on the disposal of property, plant and equipment	17	-17	14	31
Bad debts	3 408	2 954	2 305	-649
Contracted services	3 541	5 876	5 323	-553
Collection costs	71	128	202	74
Depreciation and amortisation	3 569	5 618	4 368	-1 250
Impairment loss (PPE)	31	69	28	-41
Repairs and maintenance	1 296	2 350	2 202	-148
Bulk purchases:				
Purchases of water	4 229	4 772	4 641	-131
Purchases of electricity	20 674	16 270	16 046	-224
Other bulk purchases	19	14	39	25
Grants and subsidies paid to:				
Other local government institutions	8	81	59	-22
Tertiary institutions of higher learning	0	2	1	-1
Households or individuals	116	131	169	38
Non-profit institutions serving households	2	0	0	0
Other	1 608	1 665	1 457	-208
General expenditure:				
Accommodation, travelling and subsistence	179	259	262	3
Advertising, promotions and marketing	73	121	145	24
Audit fees	122	416	216	-200
Bank charges	99	93	117	24
Cleaning services	73	92	79	-13
Consultancy and professional fees	496	703	602	-101
Entertainment costs	13	19	20	1
Fuel and oil	274	362	457	95
Hiring of plant and equipment	193	335	270	-65
Insurance costs	376	325	150	-175
Pharmaceutical	41	49	51	2
Postal and courier services	54	65	52	-13
Printing and stationery	83	143	103	-40
Rebates for property rates	1 283	1 173	1 082	-91
Rebates for service charges	132	62	93	31
Rental of land, buildings and other structures	149	201	151	-50
Rental of office equipment	75	133	784	651
Security services	450	778	689	-89
Subscriptions and membership fees	139	102	49	-53
Telecommunication services	191	222	192	-30
Training and education	127	168	156	-12
Transport costs	152	248	216	-32
Other expenditure	6 673	8 222	6 138	-2 084
Surplus	41 794	26 400	27 006	606
Total expenditure	116 866	109 338	101 785	-7 553

* Some figures have been revised.

Table 2 – Consolidated statement of financial performance of municipalities for the quarters ended September 2017, December 2017 and March 2018: Income – South Africa

Income	September 2017	December 2017*	March 2018	Difference between quarters ended Dec. 2017 and Mar. 2018
	R million			
Property rates from:				
Residential	10 038	9 254	8 971	-283
Commercial or business	4 103	3 609	4 518	909
State	1 553	818	1 099	281
Other (includes agricultural, municipal, etc.)	2 515	1 606	1 276	-330
Property rates - penalties imposed and collection charges	33	43	15	-28
Service charges				
Sales of water	8 455	9 032	9 168	136
Sales of electricity	28 569	24 219	23 546	-673
Refuse removal charges	2 694	2 722	2 673	-49
Sewerage and sanitation charges	3 632	3 412	3 464	52
Other service charges (e.g. fresh produce market etc.)	11	80	55	-25
Interest earned from:				
External investments	1 397	1 575	1 425	-150
Outstanding debtors	1 458	1 475	1 284	-191
Dividends received	1	0	1	1
Fines	662	987	834	-153
Licences and permits	278	275	272	-3
Income for agency services	239	278	251	-27
Rental of facilities and equipment	449	544	553	9
Bad debts recovered	18	35	59	24
Public contributions and donations (including PPE)	90	115	208	93
Gains on the disposal of property, plant and equipment	24	30	55	25
Grants and subsidies from:				
National government	24 853	22 951	20 357	-2 594
Provincial government	445	647	707	60
Local government	7	14	6	-8
Other	160	208	387	179
Spent conditional grant	3 147	4 701	4 095	-606
Other income	5 224	4 003	2 913	-1 090
Deficit	16 811	16 705	13 593	-3 112
Total income	116 866	109 338	101 785	-7 553

* Some figures have been revised.

Table 3 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended September 2017, December 2017 and March 2018: Expenditure – South Africa

Expenditure	September 2017	December 2017*	March 2018	Difference between quarters ended Dec. 2017 and Mar. 2018
	R million			
Employee-related costs	14 539	15 986	14 690	-1 296
Remuneration of board of directors/councillors	873	899	1 037	138
Interest paid	1 118	2 142	1 298	-844
Loss on the disposal of property, plant and equipment	1	-3	12	15
Bad debts	1 171	1 106	776	-330
Contracted services	1 401	2 375	2 442	67
Collection costs	67	122	198	76
Depreciation and amortisation	923	1 588	1 348	-240
Impairment loss (PPE)	23	65	17	-48
Repairs and maintenance	263	1 070	85	-985
Grants and subsidies paid to:				
Other local government institutions	2	5	27	22
Tertiary institutions of higher learning	0	2	1	-1
Households or individuals	54	34	45	11
Non-profit institutions serving households	2	0	0	0
Other	1 324	1 195	1 112	-83
General expenditure:				
Accommodation, travelling and subsistence	157	219	172	-47
Advertising, promotions and marketing	60	107	127	20
Audit fees	122	375	196	-179
Bank charges	88	87	111	24
Cleaning services	31	48	38	-10
Consultancy and professional fees	383	473	485	12
Entertainment costs	12	19	19	0
Fuel and oil	145	206	282	76
Hiring of plant and equipment	107	179	183	4
Insurance costs	309	270	102	-168
Pharmaceutical	38	44	49	5
Postal and courier services	52	63	51	-12
Printing and stationery	63	125	84	-41
Rebates for property rates	1 283	1 173	1 082	-91
Rental of land, buildings and other structures	121	166	131	-35
Rental of office equipment	49	89	146	57
Security services	281	530	420	-110
Subscriptions and membership fees	135	97	46	-51
Telecommunication services	155	190	156	-34
Training and education	104	140	129	-11
Transport costs	35	80	76	-4
Other expenditure	3 060	4 213	3 391	-822
Surplus	28 479	16 655	14 887	-1 768
Total expenditure	57 030	52 134	45 451	-6 683

* Some figures have been revised.

Table 4 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended September 2017, December 2017 and March 2018: Income – South Africa

Income	September 2017	December 2017*	March 2018	Difference between quarters ended Dec. 2017 and Mar. 2018
	R million			
Taxes on property				
Property rates from:				
Residential	10 038	9 254	8 971	-283
Commercial or business	4 103	3 609	4 518	909
State	1 553	818	1 099	281
Other (includes agricultural, municipal, etc.)	2 515	1 606	1 276	-330
Property rates – penalties imposed and collection charges	33	43	15	-28
Interest earned from:				
External investments	1 340	1 504	1 379	-125
Outstanding debtors	941	811	611	-200
Dividends received	1	0	1	1
Fines	620	865	762	-103
Licences and permits	99	119	88	-31
Income for agency services	137	166	130	-36
Rental of facilities and equipment	257	291	302	11
Bad debts recovered	16	35	58	23
Public contributions and donations (including property, plant and equipment)	7	29	31	2
Gains on the disposal of property, plant and equipment	17	26	48	22
Grants and subsidies from:				
National government	20 131	16 756	13 193	-3 563
Provincial government	330	342	492	150
Local government	2	5	1	-4
Other	88	37	335	298
Spent conditional grants	1 802	2 243	2 007	-236
Other income	3 765	2 790	1 203	-1 587
Deficit	9 235	10 785	8 931	-1 854
Total income	57 030	52 134	45 451	-6 683

* Some figures have been revised.

Table 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended September 2017, December 2017 and March 2018: Expenditure – South Africa

Expenditure	September 2017	December 2017*	March 2018	Difference between quarters ended Dec. 2017 and Mar. 2018
	R million			
Employee-related costs	8 062	8 816	8 201	-615
Interest paid	444	891	625	-266
Loss on disposal of property, plant and equipment	16	-14	2	16
Bad debts	2 237	1 848	1 529	-319
Contracted services	2 140	3 501	2 881	-620
Collection costs	4	6	4	-2
Depreciation and amortisation	2 646	4 030	3 020	-1 010
Impairment loss (PPE)	8	4	11	7
Repairs and maintenance	1 033	1 280	2 117	837
Bulk purchases:				
Purchases of water	4 229	4 772	4 641	-131
Purchases of electricity	20 674	16 270	16 046	-224
Other bulk purchases	19	14	39	25
Grants and subsidies paid to:				
Other local government institutions	6	76	32	-44
Tertiary institutions of higher learning	0	0	0	0
Households or individuals	62	97	124	27
Non-profit institutions serving households	0	0	0	0
Other	284	470	345	-125
General expenditure:				
Accommodation, travelling and subsistence	22	40	90	50
Advertising, promotions and marketing	13	14	18	4
Audit fees	0	41	20	-21
Bank charges	11	6	6	0
Cleaning services	42	44	41	-3
Consultancy and professional fees	113	230	117	-113
Entertainment costs	1	0	1	1
Fuel and oil	129	156	175	19
Hiring of plant and equipment	86	156	87	-69
Insurance costs	67	55	48	-7
Pharmaceutical	3	5	2	-3
Postal and courier services	2	2	1	-1
Printing and stationery	20	18	19	1
Rebates for service charges	132	62	93	31
Rental of land, buildings and other structures	28	35	20	-15
Rental of office equipment	26	44	638	594
Security services	169	248	269	21
Subscriptions and membership fees	4	5	3	-2
Telecommunication services	36	32	36	4
Training and education	23	28	27	-1
Transport costs	117	168	140	-28
Other expenditure	3 613	4 009	2 747	-1 262
Surplus	13 315	9 745	12 119	2 374
Total expenditure	59 836	57 204	56 334	-870

* Some figures have been revised.

Table 6 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended September 2017, December 2017 and March 2018: Income – South Africa

Income	September 2017	December 2017*	March 2018	Difference between quarters ended Dec. 2017 and Mar. 2018
	R million			
Interest earned from:				
External investments	57	71	46	-25
Outstanding debtors	517	664	673	9
Dividends received	0	0	0	0
Fines	42	122	72	-50
Licences and permits	179	156	184	28
Income for agency services	102	112	121	9
Rental of facilities and equipment	192	253	251	-2
Bad debts recovered	2	0	1	1
Public contributions and donations (including property, plant and equipment)	83	86	177	91
Gains on the disposal of property, plant and equipment	7	4	7	3
Service charges:				
Sales of water	8 455	9 032	9 168	136
Sales of electricity	28 569	24 219	23 546	-673
Refuse removal charges	2 694	2 722	2 673	-49
Sewerage and sanitation charges	3 632	3 412	3 464	52
Other service charges (e.g. fresh produce market)	11	80	55	-25
Grants and subsidies from:				
National government	4 722	6 195	7 164	969
Provincial government	115	305	215	-90
Local government	5	9	5	-4
Other	72	171	52	-119
Spent conditional grants	1 345	2 458	2 088	-370
Other income	1 459	1 213	1 710	497
Deficit	7 576	5 920	4 662	-1 258
Total income	59 836	57 204	56 334	-870

* Some figures have been revised.

Table 7 - Rebased tables for the financial year ended 30 June 2017: Statement of financial performance of municipalities for rates and general services: Expenditure

Expenditure	September 2016	December 2016	March 2017	June 2017	Total 2017 ¹
	R million				
Employee-related costs	13 125	14 341	13 720	15 197	56 383
Remuneration of board of directors/councillors	824	846	980	944	3 594
Interest paid	1 161	1 476	1 304	1 575	5 516
Loss on the disposal of property, plant and equipment	168	42	67	620	897
Bad debts	2 182	3 047	974	5 097	11 300
Contracted services	1 642	2 301	2 404	3 245	9 592
Collection costs	125	63	129	313	630
Depreciation and amortisation	2 678	3 085	3 520	3 839	13 122
Impairment loss (PPE)	0	19	0	534	553
Repairs and maintenance	393	925	834	1 336	3 488
Grants and subsidies paid to:					
Other local government institutions	70	137	33	130	370
Tertiary institutions of higher learning	0	1	4	102	107
Households or individuals	262	234	274	221	991
Non-profit institutions serving households	0	1	1	2	4
Other	359	355	384	675	1 773
General expenditure:					
Accommodation, travelling and subsistence	156	198	175	206	735
Advertising, promotions and marketing	68	174	130	258	630
Audit fees	137	516	310	151	1 114
Bank charges	82	100	98	127	407
Cleaning services	25	32	41	37	135
Consultancy and professional fees	439	565	690	718	2 412
Entertainment costs	17	29	16	36	98
Fuel and oil	192	196	337	266	991
Hiring of plant and equipment	66	183	129	180	558
Insurance costs	336	247	151	146	880
Pharmaceutical	47	36	43	39	165
Postal and courier services	59	66	70	80	275
Printing and stationery	108	133	171	164	576
Rebates for property rates	953	736	1 056	937	3 682
Rental of land, buildings and other structures	355	401	218	379	1 353
Rental of office equipment	65	102	110	87	364
Security services	264	387	361	520	1 532
Subscriptions and membership fees	200	73	55	106	434
Telecommunication services	280	377	312	365	1 334
Training and education	162	218	139	254	773
Transport costs	37	72	97	35	241
Other expenditure	3 024	3 093	2 383	4 899	13 399
Surplus	24 961	14 553	17 268	-1 543	55 239
Total expenditure	55 022	49 360	48 988	42 277	195 647

¹ The total of September 2016, December 2016, March 2017 and June 2017 quarters (refer to Publication P9114).

Table 8 - Rebased tables for the financial year ended 30 June 2017: Statement of financial performance of municipalities for rates and general services: Income

Income	September 2016	December 2016	March 2017	June 2017	Total 2017 ¹
	R million				
Taxes on property					
Property rates from:					
Residential	8 011	6 568	6 764	7 109	28 452
Commercial or business	4 079	3 701	4 202	3 722	15 704
State	949	436	518	479	2 382
Other (includes agricultural, municipal etc.)	3 310	2 211	2 163	1 518	9 202
Property rates - penalties imposed and collection charges	108	88	89	108	393
Interest earned from:					
External investments	1 020	1 098	1 219	1 245	4 582
Outstanding debtors	838	863	1 130	1 137	3 968
Dividends received	0	0	1	1	2
Fines	1 044	1 126	1 051	1 389	4 610
Licences and permits	93	91	88	86	358
Income for agency services	195	97	179	191	662
Rental of facilities and equipment	208	369	180	287	1 044
Bad debts recovered	3	0	0	9	12
Public contribution, donations (including property, plant and equipment)	61	225	104	878	1 268
Gains on the disposal of property, plant and equipment	33	9	30	55	127
Grants and subsidies from:					
National government	16 506	13 698	10 900	3 407	44 511
Provincial government	90	61	82	60	293
Local government	0	2	0	1	3
Other	20	28	3	8	59
Spent conditional grant	5 623	5 163	6 469	6 236	23 491
Other income	3 452	3 103	3 453	2 092	12 100
Deficit	9 379	10 423	10 363	12 259	42 424
Total income	55 022	49 360	48 988	42 277	195 647

¹ The total of September 2016, December 2016, March 2017 and June 2017 quarters (refer to Publication P9114).

Table 9 - Rebased tables for the financial year ended 30 June 2017: Statement of financial performance of municipalities for housing and trading services: Expenditure

Expenditure	September 2016	December 2016	March 2017	June 2017	Total 2017 ¹
	R million				
Employee-related costs	7 683	8 057	7 342	8 069	31 151
Interest paid	300	1 000	1 333	1 519	4 152
Loss on the disposal of property, plant and equipment	206	41	21	143	411
Bad debts	2 203	2 935	3 916	4 007	13 061
Contracted services	1 729	3 320	2 037	3 840	10 926
Collection costs	9	18	1	4	32
Depreciation and amortisation	3 653	3 831	4 551	4 680	16 715
Impairment loss (PPE)	0	0	18	172	190
Repairs and maintenance	1 833	2 442	3 290	3 006	10 571
Bulk purchases:					
Purchases of water	4 493	4 406	4 283	4 897	18 079
Purchases of electricity	22 242	17 432	16 930	18 904	75 508
Other bulk purchases	11	4	7	35	57
Grant and subsidies paid to:					
Other local government institutions	1	6	6	8	21
Tertiary institutions of higher learning	0	0	0	0	0
Households or individuals	556	740	204	573	2 073
Non-profit institutions serving households	0	0	0	0	0
Other	335	182	235	96	848
General expenditure					
Accommodation, travelling and subsistence	20	25	23	29	97
Advertising, promotions and marketing	50	58	30	64	202
Audit fees	10	9	14	4	37
Bank charges	2	4	1	1	8
Cleaning services	29	39	20	40	128
Consultancy and professional fees	39	70	55	45	209
Entertainment costs	0	2	1	4	7
Fuel and oil	128	150	144	210	632
Hiring of plant and equipment	52	112	98	100	362
Insurance costs	41	34	25	22	122
Pharmaceutical	0	1	1	1	3
Postal and courier services	2	2	4	2	10
Printing and stationery	16	24	23	17	80
Rebates for service charges	248	197	199	308	952
Rental of land, buildings and other structures	23	37	11	33	104
Rental of office equipment	9	9	19	16	53
Security services	58	97	53	93	301
Subscriptions and membership fees	1	0	0	4	5
Telecommunication services	15	15	19	26	75
Training and education	14	19	9	27	69
Transport costs	17	27	22	32	98
Other expenditure	1 322	2 108	2 180	2 551	8 161
Surplus	16 023	3 708	6 778	7 019	33 528
Total Expenditure	63 373	51 161	53 903	60 601	229 038

¹ The total of September 2016, December 2016, March 2017 and June 2017 quarters (refer to Publication P9114).

Table 10 - Rebased tables for the financial year ended 30 June 2017: Statement of financial performance of municipalities for housing and trading services: Income

Income	September 2016	December 2016	March 2017	June 2017	Total 2017 ¹
	R million				
Interest earned from:					
External investments	9	17	70	11	107
Outstanding debtors	377	300	359	434	1 470
Dividends received	0	0	1	1	2
Fines	23	24	25	24	96
Licences and permits	93	94	114	86	387
Income for agency services	134	185	196	268	783
Rental of facilities and equipment	230	228	333	274	1 065
Bad debts recovered	0	0	0	0	0
Public contributions, donations (including property, plant and equipment)	64	91	191	414	760
Gains on the disposal of property, plant and equipment	4	9	73	77	163
Service charges:					
Sales of water	7 928	7 896	7 680	8 405	31 909
Sales of electricity	29 927	23 973	22 907	24 651	101 458
Refuse removal charges	2 676	2 411	2 370	2 465	9 922
Sewerage and sanitation charges	3 692	2 903	2 959	3 137	12 691
Other services charges (e.g. fresh produce market)	131	19	898	823	1 871
Grants and subsidies from:					
National government	2 004	2 906	2 348	1 622	8 880
Provincial government	22	38	34	36	130
Local government	0	11	0	0	11
Other	76	62	71	32	241
Spent conditional grant	7 148	4 375	6 751	7 341	25 615
Other income	1 250	1 191	909	1 900	5 250
Deficit	7 585	4 428	5 614	8 600	26 227
Total income	63 373	51 161	53 903	60 601	229 038

¹ The total of September 2016, December 2016, March 2017 and June 2017 quarters (refer to Publication P9114).

Annexure A – Purchases and sales of water

Quarter ended	Purchases of water				Sales of water			
	Actual (unadjusted)		Seasonally adjusted		Actual (unadjusted)		Seasonally adjusted	
	R million	Year-on-year % change	R million	Quarter-on-quarter % change	R million	Year-on-year % change	R million	Quarter-on-quarter % change
Sep 07	1 489		1 630		3 246		3 297	
Dec 07	1 661		1 596	-2,1	3 031		2 933	-11,0
Mar 08	1 615		1 622	1,6	2 865		2 759	-5,9
Jun 08	1 938		1 848	13,9	3 153		3 345	21,2
Sep 08	1 601	7,5	1 750	-5,3	2 989	-7,9	3 032	-9,4
Dec 08	1 816	9,3	1 746	-0,2	3 195	5,4	3 088	1,8
Mar 09	1 877	16,2	1 880	7,7	3 663	27,9	3 534	14,4
Jun 09	2 098	8,3	2 008	6,8	3 419	8,4	3 629	2,7
Sep 09	1 756	9,7	1 918	-4,5	3 537	18,3	3 586	-1,2
Dec 09	2 084	14,8	2 002	4,4	4 110	28,6	3 962	10,5
Mar 10	2 001	6,6	1 993	-0,4	3 972	8,4	3 844	-3,0
Jun 10	2 174	3,6	2 098	5,3	3 646	6,6	3 873	0,8
Sep 10	2 100	19,6	2 287	9,0	4 056	14,7	4 109	6,1
Dec 10	2 505	20,2	2 405	5,2	4 315	5,0	4 142	0,8
Mar 11	2 406	20,2	2 381	-1,0	4 169	5,0	4 058	-2,0
Jun 11	2 312	6,3	2 255	-5,3	3 848	5,5	4 083	0,6
Sep 11	2 345	11,7	2 542	12,7	4 342	7,1	4 390	7,5
Dec 11	2 723	8,7	2 616	2,9	4 769	10,5	4 565	4,0
Mar 12	2 813	16,9	2 765	5,7	4 919	18,0	4 821	5,6
Jun 12	2 865	23,9	2 824	2,1	4 876	26,7	5 160	7,0
Sep 12	2 646	12,8	2 852	1,0	5 239	20,7	5 283	2,4
Dec 12	3 172	16,5	3 052	7,0	5 597	17,4	5 354	1,3
Mar 13	3 211	14,1	3 140	2,9	5 658	15,0	5 581	4,2
Jun 13	3 221	12,4	3 200	1,9	5 279	8,3	5 565	-0,3
Sep 13	3 134	18,4	3 363	5,1	5 542	5,8	5 569	0,1
Dec 13	3 396	7,1	3 266	-2,9	5 935	6,0	5 691	2,2
Mar 14	3 617	12,6	3 533	8,2	6 000	6,0	5 944	4,4
Jun 14	3 676	14,1	3 670	3,9	6 186	17,2	6 488	9,2
Sep 14	3 474	10,8	3 719	1,3	6 037	8,9	6 060	-6,6
Dec 14	3 861	13,7	3 700	-0,5	7 092	19,5	6 815	12,5
Mar 15	3 961	9,5	3 903	5,5	6 742	12,4	6 647	-2,5
Jun 15	4 048	10,1	4 071	4,3	6 651	7,5	6 908	3,9
Sep 15	3 868	11,3	4 135	1,6	7 057	16,9	7 082	2,5
Dec 15	4 593	19,0	4 380	5,9	7 670	8,2	7 380	4,2
Mar 16	4 497	13,5	4 433	1,2	7 723	14,6	7 675	4,0
Jun 16	4 310	6,5	4 205	-5,1	7 316	10,0	7 562	-1,5
Sep 16	4 493	16,2	4 795	14,0	7 928	12,3	7 944	5,1
Dec 16	4 406	-4,1	4 276	-10,8	7 896	2,9	7 650	-3,7
Mar 17	4 283	-4,8	4 268	-0,2	7 680	-0,6	7 676	0,3
Jun 17	4 897	13,6	4 755	11,4	8 405	14,9	8 663	12,9
Sep 17	4 229	-5,9	4 514	-5,1	8 455	6,6	8 472	-2,2
Dec 17	4 772	8,3	4 628	2,5	9 032	14,4	8 756	3,4
Mar 18	4 641	8,4	4 642	0,3	9 168	19,4	9 178	4,8

Annexure B – Purchases and sales of electricity

Quarter ended	Purchases of electricity				Sales of electricity			
	Actual (unadjusted)		Seasonally adjusted		Actual (unadjusted)		Seasonally adjusted	
	R million	Year-on-year % change	R million	Quarter-on-quarter % change	R million	Year-on-year % change	R million	Quarter-on-quarter % change
Sep 07	5 256		3 967		7 546		6 475	
Dec 07	3 857		4 288	8,1	6 837		7 015	8,3
Mar 08	3 667		4 497	4,9	6 639		7 262	3,5
Jun 08	4 317		4 507	0,2	7 440		7 913	9,0
Sep 08	6 491	23,5	4 743	5,2	9 093	20,5	8 080	2,1
Dec 08	5 685	47,4	6 343	33,7	8 874	29,8	8 888	10,0
Mar 09	4 870	32,8	6 079	-4,2	8 476	27,7	9 335	5,0
Jun 09	6 085	41,0	6 326	4,1	9 199	23,6	9 762	4,6
Sep 09	9 318	43,6	6 844	8,2	12 661	39,2	10 913	11,8
Dec 09	6 424	13,0	7 057	3,1	11 442	28,9	11 543	5,8
Mar 10	6 058	24,4	7 693	9,0	11 262	32,9	12 352	7,0
Jun 10	8 336	37,0	8 596	11,7	11 994	30,4	12 679	2,6
Sep 10	12 361	32,7	9 031	5,1	15 662	23,7	13 573	7,1
Dec 10	8 070	25,6	9 457	4,7	13 999	22,3	14 009	3,2
Mar 11	8 605	42,0	10 149	7,3	13 942	23,8	15 487	10,6
Jun 11	10 277	23,3	10 520	3,7	15 608	30,1	16 395	5,9
Sep 11	15 271	23,5	12 150	15,5	19 719	25,9	16 930	3,3
Dec 11	10 934	35,5	12 511	3,0	17 514	25,1	17 565	3,8
Mar 12	10 390	20,7	12 668	1,3	16 269	16,7	17 897	1,9
Jun 12	12 965	26,2	13 128	3,6	17 695	13,4	18 451	3,1
Sep 12	17 492	14,5	13 798	5,1	21 692	10,0	18 654	1,1
Dec 12	13 058	19,4	14 242	3,2	18 626	6,3	19 363	3,8
Mar 13	11 432	10,0	13 990	-1,8	17 763	9,2	19 197	-0,9
Jun 13	13 297	2,6	13 319	-4,8	19 218	8,6	19 887	3,6
Sep 13	17 309	-1,0	13 503	1,4	22 445	3,5	19 940	0,3
Dec 13	13 049	-0,1	14 190	5,1	19 583	5,1	20 564	3,1
Mar 14	12 334	7,9	14 922	5,2	18 925	6,5	20 331	-1,1
Jun 14	15 821	19,0	15 654	4,9	20 222	5,2	20 812	2,4
Sep 14	19 038	10,0	15 126	-3,4	23 726	5,7	21 198	1,9
Dec 14	13 688	4,9	14 891	-1,6	20 779	6,1	21 297	0,5
Mar 15	12 997	5,4	15 523	4,2	20 115	6,3	22 065	3,6
Jun 15	16 222	2,5	16 046	3,4	21 764	7,6	22 165	0,5
Sep 15	20 521	7,8	16 587	3,4	26 281	10,8	22 783	2,8
Dec 15	16 207	18,4	17 228	3,9	22 272	7,2	23 092	1,4
Mar 16	14 812	14,0	17 259	0,2	22 829	13,5	24 956	8,1
Jun 16	18 686	15,2	18 295	6,0	23 062	6,0	23 544	-5,7
Sep 16	22 242	8,4	19 123	4,5	29 927	13,9	25 841	9,8
Dec 16	17 432	7,6	19 470	1,8	23 973	7,6	24 681	-4,5
Mar 17	16 930	14,3	19 131	-1,7	22 907	0,3	25 171	2,0
Jun 17	18 904	1,2	18 481	-3,4	24 651	6,9	25 114	-0,2
Sep 17	20 674	-7,0	17 886	-3,2	28 569	-4,5	24 739	-1,5
Dec 17	16 270	-6,7	18 036	0,8	24 219	1,0	25 258	2,1
Mar 18	16 046	-5,2	18 061	0,1	23 546	2,8	25 529	1,1

Notes**Forthcoming issue** **Issue** **Expected release date**

June 2018 September 2018

Purpose of survey The *Quarterly financial statistics of municipalities (QFSM)* is a quarterly survey that covers local, district and metropolitan municipalities in South Africa. The results are used as inputs into the gross domestic product (GDP) calculation as well as to assist the public sector with policy formulation and the financial analysis of municipalities.

Response rates

September 2017:	84% (of 257)
December 2017:	88% (of 257)
March 2018:	81% (of 257)

Rebasing

Data for the QFSM for the year ended 30 June 2017 are aligned to the annual financial census of municipalities for the respective year (which is verified by using the annual financial statements from municipalities).

Refer to *Financial census of municipalities (P9114)*.

Explanatory notes

Introduction	1	<p>The purpose of the quarterly financial statistics survey of municipalities is to provide stakeholders with information for allowing analysis and assessment of the state of local government finances.</p> <p>This publication contains estimates for the quarters ended September 2017, December 2017 and March 2018. The survey is designed to obtain financial information of local government institutions relating to:</p> <ul style="list-style-type: none"> • the consolidated statement of financial performance of municipalities • the consolidated statement of financial performance of municipalities – rates and general services; and • the consolidated statement of financial performance of municipalities – housing and trading services.
Scope of the survey	2	<p>This survey covers quarterly financial information of all 257 municipalities. Unadjusted data for all municipalities are available with effect from September 2007. Only water (sales and purchases) and electricity (sales and purchases) have seasonally adjusted estimates, and these are available at the national level only (not at provincial or municipal level).</p>
Classification and accounting standards	3	<p>For the purposes of classification of local government institutions according to activities, Statistics South Africa (Stats SA) used the Standard Industrial Classification of All Economic Activities, Fifth Edition, and Report No.09-90-02 of January 1993. Activities of local government institutions also adhere to the accounting standards and requirements in terms of the Generally Recognised Accounting Practice (GRAP).</p> <p>The Municipal Standard Chart of Accounts (mSCOA) was initially rolled out (piloted–tested) in 2016 in some municipalities. mSCOA has since been implemented in all municipalities from the beginning of the 2017 municipal financial year. This is a multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.</p>
Survey methodology and design	4	<p>The statistical unit for the collection of information is the municipality.</p>
Imputation	5	<p>The historical method is used to impute for non-response. According to this method previous information is used to arrive at current figures, after being appraised for its suitability.</p>
Revised figures	6	<p>Estimates for the current quarter are preliminary. Figures will be revised if respondents report revisions or corrections to their figures and also if the data were received late by Stats SA (after the cut-off date for submitting their questionnaires).</p>
Rounding off figures	7	<p>The figures in the tables have been rounded off to the nearest digit shown, and as a result there may be slight discrepancies between the sums of the constituent items and the totals shown.</p>
Related publications	8	<p>Users may wish to refer to the following Stats SA publications:</p> <ul style="list-style-type: none"> • P9101 <i>Capital expenditure of the public sector;</i> • P9114 <i>Financial census of municipalities;</i> • P9119.4 <i>Financial statistics of consolidated general government;</i> • P0441 <i>Gross domestic product; and</i> • P0277 <i>Quarterly employment statistics</i>

Symbols and abbreviations used

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

Seasonal adjustment

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

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

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

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