

CENTRAL KAROO DISTRICT MUNICIPALITY



In-Year Report

Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009.

MONTHLY & QUARTERLY BUDGET STATEMENT JANUARY 2019



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1. **GLOSSARY**

- 1.1 **Adjustments Budget –** Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
- 1.2 **Allocations –** Money received from Provincial or National Government or other municipalities.
- 1.3 **Budget –** The financial plan of the Central Karoo District Municipality.
- 1.4 **Budget Related Policy –** Policy of the municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.
- 1.5 **Capital Expenditure –** Spending on assets such as land, buildings, furniture, computer equipment and machinery. Any capital expenditure must be reflected as a non-current asset on the Municipality's balance sheet.
- 1.6 **Cash Flow Statement –** A statement including only actual receipts and expenditure by the Municipality. Cash payments and receipts do not always coincide with budgeted timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.
- 1.7 **DORA –** Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
- 1.8 **Equitable Share –** A general grant paid to Municipalities.

- 1.9 **Fruitless and Wasteful Expenditure –** Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
- 1.10 **GFS –** Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between Municipalities.
- 1.11 **GRAP –** Generally Recognised Accounting Practice. The new standard for municipal accounting.
- 1.12 **IDP –** Integrated Development Plan. The main strategic planning document of the Municipality.
- 1.13 **MBRR –** Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations.
- 1.14 **MFMA –** Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Herein referred to as the Act.
- 1.15 **MTREF –** Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
- 1.16 **Operating Expenditure –** Spending on the day to day operations of the Municipality such as salaries and wages and general expenses.

- 1.17 **SDBIP –** Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
- 1.18 **Strategic Objectives –** The main priorities of the Central Karoo District Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
- 1.19 **Unauthorised Expenditure –** Generally, is spending without, or in excess of, an approved budget.
- 1.20 **Virement –** A transfer of budget.
- 1.21 **Virement Policy –** The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
- 1.22 **Vote –** One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments of the municipality. In Central Karoo District Municipality this means at directorate level. The votes for Central Karoo District therefore are:
- Executive and Council;
 - Budget and Treasury;
 - Corporate Services; and
 - Technical Services.

2. PART 1: IN-YEAR REPORT

2.1 SECTION 1 – MAYOR’S REPORT:

2.1.1 In-Year Report: Monthly & Quarterly Budget Statement:

2.1.1.1 Implementation of Budget in terms of SDBIP:

No comments apart from that already mentioned in the Executive summary of this report.

2.1.1.2 Other Information:

Additional clarity on the content of this report or answers to any questions is available from the Chief Financial Officer, Ms. Ursula Baartman.

Executive Mayor

2.2 **SECTION 2 – RESOLUTIONS:**

The recommended Resolution to Council with regard to the February 2019 In-Year Report is:

RESOLVED:

- (a) That the Council take note of contents in the in-year monthly report for February 2019 as set out in the schedules contained in Section 4:
 - (i) Table C1 – Monthly Budget Statement Summary;
 - (ii) Table C2 – Monthly Budget Statement: Financial Performance (Standard Classification);
 - (iii) Table C3 – Monthly Budget Statement: Financial Performance Standard Classification (Revenue and Expenditure by Municipal Vote);
 - (iv) Table C4 – Monthly Budget Statement: Financial Performance (Revenue by Source and Expenditure by Type);
 - (v) Table C5 – Monthly Budget Statement: Capital Expenditure;
 - (vi) Table C6 – Monthly Budget Statement: Financial Position; and
 - (vii) Table C7 – Monthly Budget Statement – Cash Flows.

- (b) Any other resolutions required by the Council.

2.3 SECTION 3 – EXECUTIVE SUMMARY:

2.3.1 Introduction:

All the schedules reflect the following information:

- Original budget;
- Monthly actual figures;
- Year-to-date actual figures;
- Year-to-date budgeted figures.

2.3.2 Financial Performance, Position and Cash Flow:

Section 4 of this report includes the tables with the detailed figures.

2.3.2.1 Financial Performance:

The detail of this section can be found in Section 4 of this report Table C2 (Summary per GFS); Table C3 (Summary per Municipal Vote) and Table C4 (Summary by Revenue Source and Expenditure Type). The latter is used to provide the executive summary.

2.3.2.1.1 Overall View:

The following table summarises the overall position on the capital and operating budgets. Take note that the Operating Expenditure only reflects the direct expenditure and exclude all indirect expenditure e.g. Administrative Costs.

	<u>Capital Expenditure</u>	<u>Operating Expenditure</u>	<u>Operating Revenue</u>
Original Budget	1,015,350.00	80,483,157.45	81,896,918.42
Adjustment Budget	1,035,350.00	86,692,374.00	88,126,130.00
Actual spend / received (YTD)	284,709.70	47,288,114.66	54,311,588.35
Percentage Spend (YTD)	27%	55%	62%

The table reflects spending of the capital budget as percentage spent of 27%. The total operating expenditure and revenue reflects percentage spent of 55% and 62% respectively.

2.3.2.1.2 Revenue by Source:

The figures represented in this section are the accrued amounts and not actual cash receipts.

The total revenue excluding capital transfers and contributions for the month of January 2019 is R 9.654 million. Refer to figure 1 for more detail.

The comparisons of the major sources of revenue are illustrated in the figure below:

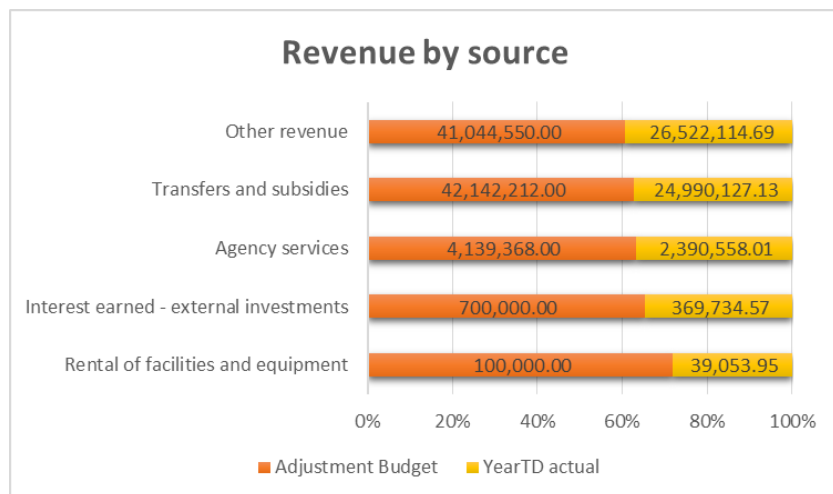


Figure 1 – Revenue by source

- **Other Revenue:**

The amount raised as reflected for the actual year to date represents 65% of the budget amount. The budgeted amount received (Year-to-date) amounts to R 23.943 million.

- **Interest Earned – External Investments:**

The budget amount for Interest earned R 700 000, whilst the year to date actual revenue is R 369 734.57. Thus, reflecting receipt of 53% at the end of January 2019.

2.3.2.2 **Operating Expenditure by Type:**

The figures in this section should represent the accrued amounts; in other words when the goods have been ordered; received or the invoice has been completed (reconciled with goods received and prices quoted) it should be captured as an expense. Shadow figures are reflected on the financial system once an order is issued. This action serves as a budgetary control mechanism and no actual financial entries are passed. These figures cannot be used for reporting purposes. The amounts included as expenditure are currently only those for which a payment run has been completed.

The total actual expenditure amounts to R 47.288 million and the year to date budget is R 50.571 million which represents a **variance of 6%** for the year to date.

2.3.2.3 **Operating Expenditure by Municipal Vote (Figure 2):**

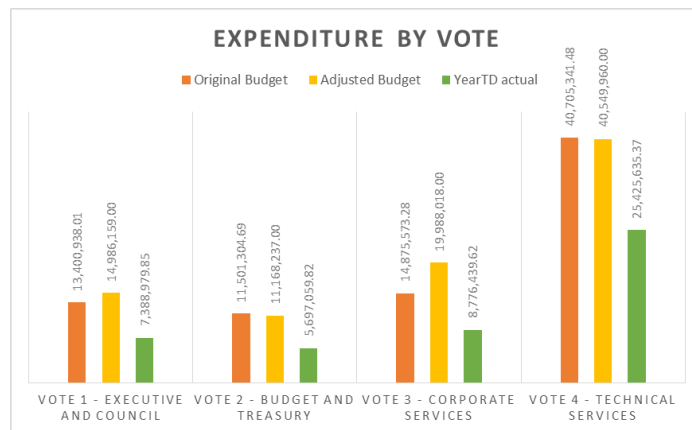


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Original Budget	Adjusted Budget	YearTD actual	% Spend
Vote 1 - EXECUTIVE AND COUNCIL	13,400,938.01	14,986,159.00	7,388,979.85	55%
Vote 2 - BUDGET AND TREASURY	11,501,304.69	11,168,237.00	5,697,059.82	50%
Vote 3 - CORPORATE SERVICES	14,875,573.28	19,988,018.00	8,776,439.62	59%
Vote 4 - TECHNICAL SERVICES	40,705,341.48	40,549,960.00	25,425,635.37	62%
Total Expenditure by Vote	80,483,157.45	86,692,374.00	47,288,114.66	59%

The adjustments budget for Technical Service is R 40.550 million of which R 25.426 million has been expended representing 62% of the budget amount.

The adjustments budget for Corporate Services is R 19.988 million of which R 8.776 million has been expended representing 59% of the budget amount.

The adjustments budget for Budget and Treasury is R 11.168 million of which R 5.697 million has been expended representing 50% of the budget amount.

The adjustments budget for Executive and Council is R 14.986 million of which R 7.389 million has been expended representing 55% of the budget amount.

2.3.2.4 Capital Expenditure (Figure 3):

The capital spending for the month of January 2019 amounts to R 58 648.00. The total capital budget amount is R 1.035 million, thus reflecting total spending of 27% at the end of the month under review.

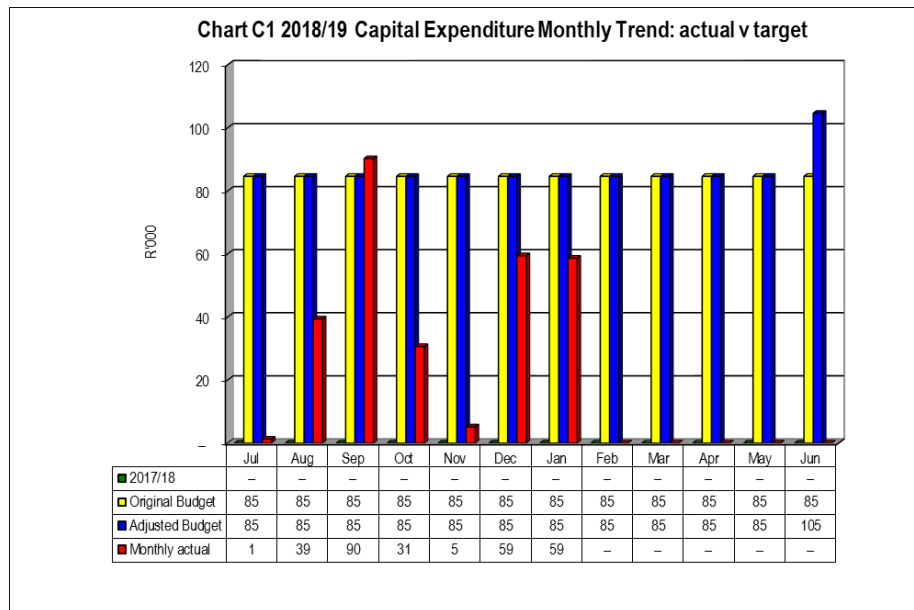


Figure 3 – Breakdown Capital Expenditure by month

2.3.3 Cash Flow:

The detail of this section can be found in Section 4 of this report Table C7 (Cashflow statement). The balance at the end of the quarter for the cash flow statement amounts to R 11.718 million.

2.4 SECTION 4 – IN-YEAR BUDGET STATEMENT TABLE:

2.4.1 Monthly Budget Statements:

2.4.1.1 Table C1: Monthly Budget Statement Summary:

The table below provides a summary of the most important information by pulling its information from the other tables to follow.

DC5 Central Karoo - Table C1 Monthly Budget Statement Summary - M07 January

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	700	700	81	370	408	(39)	-9%	-
Transfers and subsidies	-	35,883	42,142	591	24,990	24,583	407	2%	-
Other own revenue	-	45,314	45,284	8,982	28,952	26,416	2,536	10%	-
Total Revenue (excluding capital transfers and contributions)	-	81,897	88,126	9,654	54,312	51,407	2,905	6%	-
Employee costs	-	47,419	46,926	3,328	26,046	27,373	(1,328)	-5%	-
Remuneration of Councillors	-	4,032	3,957	440	2,318	2,308	10	0%	-
Depreciation & asset impairment	-	432	486	-	-	283	(283)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	66	1,905	7	152	1,111	(959)	-86%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	28,535	33,419	2,175	18,773	19,494	(722)	-4%	-
Total Expenditure	-	80,483	86,692	5,951	47,288	50,571	(3,282)	-6%	-
Surplus/(Deficit)	-	1,414	1,434	3,703	7,023	836	6,187	740%	-
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	1,414	1,434	3,703	7,023	836	6,187	740%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	1,414	1,434	3,703	7,023	836	6,187	740%	-
Capital expenditure & funds sources									
Capital expenditure	-	1,015	1,035	59	285	604	(319)	-53%	-
Capital transfers recognised	-	915	915	59	285	534	(249)	-47%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	100	120	-	-	70	(70)	-100%	-
Total sources of capital funds	-	1,015	1,035	59	285	604	(319)	-53%	-
Financial position									
Total current assets	11,306	8,131	8,091	-	18,454	-	-	-	8,091
Total non current assets	17,711	19,260	19,280	-	18,769	-	-	-	19,280
Total current liabilities	4,575	5,590	5,590	-	10,113	-	-	-	5,590
Total non current liabilities	17,549	20,387	20,387	-	17,185	-	-	-	20,387
Community wealth/Equity	6,893	1,414	-	-	9,925	-	-	-	1,414
Cash flows									
Net cash from (used) operating	-	1,846	1,826	1,388	11,924	1,065	(10,859)	-1019%	-
Net cash from (used) investing	-	(1,015)	(1,015)	(59)	(35)	(592)	(557)	94%	-
Net cash from (used) financing	-	106	106	-	-	62	62	100%	-
Cash/cash equivalents at the month/year end	-	3,925	3,905	-	14,878	3,523	(11,355)	-322%	2,989
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	189	15	12	66	49	1,987	-	(1)	2,318
Creditors Age Analysis									
Total Creditors	774	1,321	-	27	770	-	-	-	2,892

2.4.1.2 Table C2: Monthly Budget Statement – Financial Performance (Standard Classification):

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

DC5 Central Karoo - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		-	40,904	46,338	1,110	27,732	27,031	701	3%	-
Executive and council		-	35,742	35,934	23,849	25,477	20,962	4,516	22%	-
Finance and administration		-	5,162	10,404	(22,739)	2,254	6,069	(3,814)	-63%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	43	838	30	228	489	(261)	-53%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	795	29	214	464	(250)	-54%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	43	43	1	13	25	(12)	-47%	-
Economic and environmental services		-	40,950	40,950	8,515	26,352	23,888	2,465	10%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	40,950	40,950	8,515	26,352	23,888	2,465	10%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	81,897	88,126	9,654	54,312	51,407	2,905	6%	-
Expenditure - Functional										
Governance and administration		-	28,452	34,447	1,779	16,591	20,094	(3,503)	-17%	-
Executive and council		-	8,283	9,049	823	4,656	5,279	(622)	-12%	-
Finance and administration		-	19,777	24,607	939	11,593	14,354	(2,761)	-19%	-
Internal audit		-	392	791	17	341	461	(120)	-26%	-
Community and public safety		-	6,440	7,097	472	2,876	4,140	(1,264)	-31%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1,583	2,219	248	942	1,294	(353)	-27%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	4,856	4,878	224	1,934	2,845	(911)	-32%	-
Economic and environmental services		-	45,434	44,991	3,695	27,816	26,245	1,571	6%	-
Planning and development		-	3,226	4,441	199	1,508	2,591	(1,083)	-42%	-
Road transport		-	42,208	40,550	3,496	26,308	23,654	2,654	11%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	157	157	5	5	92	(87)	-95%	-
Total Expenditure - Functional	3	-	80,483	86,692	5,951	47,288	50,571	(3,282)	-6%	-
Surplus/ (Deficit) for the year		-	1,414	1,434	3,703	7,023	836	6,187	740%	-

2.4.1.3 Table C3: Monthly Budget Statement – Financial:

The budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality. On the next page, as part of Table C3, a table with the sub-votes is also prepared.

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	35,742	36,034	23,849	25,477	21,020	4,457	21.2%	-
Vote 2 - BUDGET AND TREASURY		-	5,100	4,300	(20,966)	1,276	2,508	(1,232)	-49.1%	-
Vote 3 - CORPORATE SERVICES		-	104	6,842	(1,744)	1,206	3,991	(2,785)	-69.8%	-
Vote 4 - TECHNICAL SERVICES		-	40,950	40,950	8,515	26,352	23,888	2,465	10.3%	-
Total Revenue by Vote	2	-	81,897	88,126	9,654	54,312	51,407	2,905	5.7%	-
Expenditure by Vote										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	13,401	14,986	1,264	7,389	8,742	(1,353)	-15.5%	-
Vote 2 - BUDGET AND TREASURY		-	11,501	11,168	448	5,697	6,515	(818)	-12.6%	-
Vote 3 - CORPORATE SERVICES		-	14,876	19,988	968	8,776	11,660	(2,883)	-24.7%	-
Vote 4 - TECHNICAL SERVICES		-	40,705	40,550	3,271	25,426	23,654	1,771	7.5%	-
Total Expenditure by Vote	2	-	80,483	86,692	5,951	47,288	50,571	(3,282)	-6.5%	-
Surplus/ (Deficit) for the year	2	-	1,414	1,434	3,703	7,023	836	6,187	739.8%	-

Table C3C: Monthly Budget Statement – Financial:

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M07 January

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	35,742	36,034	23,849	25,477	21,020	4,457	21%	-
1.1 - MUNICIPAL MANAGER		-	6,227	6,519	2,391	3,180	3,803	(623)	-16%	-
1.2 - COUNCIL GENERAL EXPENSES		-	29,515	29,515	21,459	22,297	17,217	5,080	30%	-
1.3 - INTERNAL AUDIT		-	-	-	-	-	-	-	-	-
1.4 - IDP		-	-	-	-	-	-	-	-	-
1.5 - EDA		-	-	-	-	-	-	-	-	-
1.6 - LED		-	-	-	-	-	-	-	-	-
1.7 - STRATEGIC PLANNING		-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	5,100	4,300	(20,966)	1,276	2,508	(1,232)	-49%	-
2.1 - FINANCIAL SERVICES		-	4,100	3,300	(21,010)	701	1,925	(1,224)	-64%	-
2.2 - DISTRICT COUNCIL LEVIES		-	-	-	-	-	-	-	-	-
2.3 - FINANCE MANAGEMENT GRANT		-	1,000	1,000	44	576	583	(7)	-1%	-
Vote 3 - CORPORATE SERVICES		-	104	6,842	(1,744)	1,206	3,991	(2,785)	-70%	-
3.1 - CORPORATE SERVICES		-	62	6,004	(1,774)	978	3,502	(2,524)	-72%	-
3.2 - TOURISM		-	-	-	-	-	-	-	-	-
3.3 - PMU		-	-	-	-	-	-	-	-	-
3.4 - ENVIRONMENTAL HEALTH		-	43	43	1	13	25	(12)	-47%	-
3.5 - CIVIL DEFENCE		-	-	795	29	214	464	(250)	-54%	-
3.6 - GRANTS AND SUBSIDIES		-	-	-	-	-	-	-	-	-
3.7 - WORK FOR WATER		-	-	-	-	-	-	-	-	-
3.8 - NUTRITION SCHEME		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	40,950	40,950	8,515	26,352	23,888	2,465	10%	-
4.1 - ROADS		-	40,950	40,950	8,515	26,352	23,888	2,465	10%	-
4.2 - TRANSPORT FUND		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	81,897	88,126	9,654	54,312	51,407	2,905	6%	-
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	13,401	14,986	1,264	7,389	8,742	(1,353)	-15%	-
1.1 - MUNICIPAL MANAGER		-	4,720	4,826	473	2,587	2,815	(228)	-8%	-
1.2 - COUNCIL GENERAL EXPENSES		-	4,731	5,941	548	2,775	3,466	(691)	-20%	-
1.3 - INTERNAL AUDIT		-	724	791	43	519	461	58	13%	-
1.4 - IDP		-	-	-	-	-	-	-	-	-
1.5 - EDA		-	30	-	-	-	-	-	-	-
1.6 - LED		-	-	-	-	-	-	-	-	-
1.7 - STRATEGIC PLANNING		-	3,196	3,428	199	1,508	2,000	(492)	-25%	-
Vote 2 - BUDGET AND TREASURY		-	11,501	11,168	448	5,697	6,515	(818)	-13%	-
2.1 - FINANCIAL SERVICES		-	10,730	10,200	413	5,379	5,950	(571)	-10%	-
2.2 - DISTRICT COUNCIL LEVIES		-	-	-	-	-	-	-	-	-
2.3 - FINANCE MANAGEMENT GRANT		-	771	969	36	319	565	(246)	-44%	-
Vote 3 - CORPORATE SERVICES		-	14,876	19,988	968	8,776	11,660	(2,883)	-25%	-
3.1 - CORPORATE SERVICES		-	8,174	12,734	490	5,894	7,428	(1,534)	-21%	-
3.2 - TOURISM		-	157	157	5	5	92	(87)	-95%	-
3.3 - PMU		-	-	-	-	-	-	-	-	-
3.4 - ENVIRONMENTAL HEALTH		-	4,861	4,878	225	1,936	2,845	(910)	-32%	-
3.5 - CIVIL DEFENCE		-	1,583	2,219	248	942	1,294	(353)	-27%	-
3.6 - GRANTS AND SUBSIDIES		-	-	-	-	-	-	-	-	-
3.7 - WORK FOR WATER		-	100	-	-	-	-	-	-	-
3.8 - NUTRITION SCHEME		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	40,705	40,550	3,271	25,426	23,654	1,771	7%	-
4.1 - ROADS		-	40,705	40,550	3,271	25,426	23,654	1,771	7%	-
4.2 - TRANSPORT FUND		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	80,483	86,692	5,951	47,288	50,571	(3,282)	(0)	-
Surplus/ (Deficit) for the year	2	-	1,414	1,434	3,703	7,023	836	6,187	0	-

2.4.1.4 Table C4: Monthly Budget Statement – Financial Performance (Revenue and Expenditure):

This table reflects the operating budget and actual figures of the financial performance. The revenue is specifically set out by source due to the fact that Council approves the revenue budget by source and the expenditure budget by vote.

DC5 Central Karoo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse revenue										
Service charges - other										
Rental of facilities and equipment			100	100	39	39	58	(19)	-33%	
Interest earned - external investments			700	700	81	370	408	(39)	-9%	
Interest earned - outstanding debtors										
Dividends received										
Fines, penalties and forfeits										
Licences and permits										
Agency services			3,947	4,139	446	2,391	2,415	(24)	-1%	
Transfers and subsidies			35,883	42,142	591	24,990	24,583	407	2%	
Other revenue			41,267	41,045	8,497	26,522	23,943	2,579	11%	
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)			81,897	88,126	9,654	54,312	51,407	2,905	6%	-
Expenditure By Type										
Employee related costs			47,419	46,926	3,328	26,046	27,373	(1,328)	-5%	
Remuneration of councillors			4,032	3,957	440	2,318	2,308	10	0%	
Debt impairment										
Depreciation & asset impairment			432	486			283	(283)	-100%	
Finance charges										
Bulk purchases										
Other materials			66	1,905	7	152	1,111	(959)	-86%	
Contracted services			1,406	5,362	(117)	1,151	3,128	(1,977)	-63%	
Transfers and subsidies										
Other expenditure			27,128	28,057	2,292	17,622	16,366	1,255	8%	
Loss on disposal of PPE										
Total Expenditure			80,483	86,692	5,951	47,288	50,571	(3,282)	-6%	-
Surplus/(Deficit)			-	1,414	1,434	3,703	7,023	836	6,187	0
Transfers and subsidies - capital (monetary contributions) (National / Provincial and District)										
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers and subsidies - capital (in-kind - all)										
Surplus/(Deficit) after capital transfers & contributions			-	1,414	1,434	3,703	7,023	836		-
Taxation										
Surplus/(Deficit) after taxation			-	1,414	1,434	3,703	7,023	836		-
Attributable to minorities										
Surplus/(Deficit) attributable to municipality			-	1,414	1,434	3,703	7,023	836		-
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year			-	1,414	1,434	3,703	7,023	836		-

2.4.1.5 Table C5: Monthly Budget Statement – Capital Expenditure
(Municipal Vote, Standard Classification and Funding):

DC5 Central Karoo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January										
Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	79	99	4	37	58	(20)	-36%	-
Vote 2 - BUDGET AND TREASURY		-	140	140	28	82	82	1	1%	-
Vote 3 - CORPORATE SERVICES		-	697	697	26	165	406	(241)	-59%	-
Vote 4 - TECHNICAL SERVICES		-	100	100	-	-	58	(58)	-100%	-
Total Capital single-year expenditure	4	-	1,015	1,035	59	285	604	(319)	-53%	-
Total Capital Expenditure		-	1,015	1,035	59	285	604	(319)	-53%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	719	739	63	247	431	(185)	-43%	-
Executive and council		-	47	67	4	18	39	(21)	-53%	-
Finance and administration		-	673	673	59	229	392	(164)	-42%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	164	164	(4)	19	96	(77)	-80%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	100	100	(4)	-	58	(58)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	64	64	-	19	37	(18)	-49%	-
Economic and environmental services		-	132	132	-	19	77	(58)	-75%	-
Planning and development		-	32	32	-	19	19	0	2%	-
Road transport		-	100	100	-	-	58	(58)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	1,015	1,035	59	285	604	(319)	-53%	-
Funded by:										
National Government		-	915	915	59	285	534	(249)	-47%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	915	915	59	285	534	(249)	-47%	-
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	100	120	-	-	70	(70)	-100%	-
Total Capital Funding		-	1,015	1,035	59	285	604	(319)	-53%	-

2.4.1.6 Table C6: Monthly Budget Statement – Financial Position:

DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		8,751	3,925	3,905	11,718	3,905
Call investment deposits		–	–	(20)	–	(20)
Consumer debtors		–	2,100	2,100	–	2,100
Other debtors		1,878	1,248	1,248	5,751	1,248
Current portion of long-term receivables		–	–	–	–	–
Inventory		677	858	858	985	858
Total current assets		11,306	8,131	8,091	18,454	8,091
Non current assets						
Long-term receivables		10,694	10,521	10,521	10,444	10,521
Investments		–	–	–	–	–
Investment property		–	–	–	–	–
Investments in Associate		–	–	–	–	–
Property, plant and equipment		6,935	8,656	8,676	8,231	8,676
Agricultural		–	–	–	–	–
Biological		–	–	–	–	–
Intangible		82	82	82	93	82
Other non-current assets		–	–	–	–	–
Total non current assets		17,711	19,260	19,280	18,769	19,280
TOTAL ASSETS		29,017	27,391	27,371	37,223	27,371
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		61	39	39	67	39
Consumer deposits		–	–	–	–	–
Trade and other payables		349	5,551	5,551	5,219	5,551
Provisions		4,166	–	–	4,827	–
Total current liabilities		4,575	5,590	5,590	10,113	5,590
Non current liabilities						
Borrowing		97	101	101	90	101
Provisions		17,452	20,286	20,286	17,095	20,286
Total non current liabilities		17,549	20,387	20,387	17,185	20,387
TOTAL LIABILITIES		22,124	25,977	25,977	27,298	25,977
NET ASSETS	2	6,893	1,414	1,394	9,925	1,394
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,893	1,414	1,414	9,925	1,414
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	6,893	1,414	–	9,925	1,414

2.4.1.7 Table C7: Monthly Budget Statement – Cash Flow:

DC5 Central Karoo - Table C7 Monthly Budget Statement - Cash Flow - M07 January

Description	Ref	2017/18	Budget Year 2018/19								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			-	-				-			
Service charges			-	-				-			
Other revenue			45,314	45,314	451	28,913	26,433	2,480	9%		
Government - operating			35,883	35,883	9,501	24,990	20,932	4,058	19%		
Government - capital			-	-	-	-	-	-			
Interest			700	700	24	370	408	(39)	-9%		
Dividends			-	-	-	-	-	-			
Payments											
Suppliers and employees			(52,922)	(52,942)	(8,588)	(45,508)	(30,883)	11,465	-37%		
Finance charges			-	-	-	-	-	-			
Transfers and Grants			(27,128)	(27,128)	-	-	(15,825)	(15,825)	100%		
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	1,846	1,826	1,388	11,924	1,065	(10,859)	-1019%	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			-	-				-			
Decrease (Increase) in non-current debtors			-	-				-			
Decrease (increase) other non-current receivables			-	-		250	-	250	#DIV/0!		
Decrease (increase) in non-current investments			-	-				-			
Payments											
Capital assets			(1,015)	(1,015)	(59)	(285)	(592)	(308)	52%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(1,015)	(1,015)	(59)	(35)	(592)	(557)	94%	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-				-			
Borrowing long term/refinancing			-	-				-			
Increase (decrease) in consumer deposits			106	106			62	(62)	-100%		
Payments											
Repayment of borrowing			-	-			-	-			
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	106	106	-	-	62	62	100%	-
NET INCREASE/ (DECREASE) IN CASH HELD			-	936	916	1,329	11,889	535			-
Cash/cash equivalents at beginning:			2,989	2,989		2,989	2,989				2,989
Cash/cash equivalents at month/year end:			-	3,925	3,905		11,718	3,523			2,989

3.

PART 2 – SUPPORTING DOCUMENTATION

3.1

SECTION 5 – DEBTORS ANALYSIS:

3.1.1 Supporting Table SC3:

DC5 Central Karoo - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2018/19									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200												
Trade and Other Receivables from Exchange Transactions - Electricity	1300												
Receivables from Non-exchange Transactions - Property Rates	1400												
Receivables from Exchange Transactions - Waste Water Management	1500												
Receivables from Exchange Transactions - Waste Management	1600												
Receivables from Exchange Transactions - Property Rental Debtors	1700												
Interest on Arrear Debtor Accounts	1810												
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820												
Other	1900	189	15	12	66	49	1,987	-	(1)	2,318	2,102		
Total By Income Source	2000	189	15	12	66	49	1,987	-	(1)	2,318	2,102		
2017/18 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200												
Commercial	2300												
Households	2400												
Other	2500	189	15	12	66	49	1,987	-	(1)	2,318	2,102		
Total By Customer Group	2600	189	15	12	66	49	1,987	-	(1)	2,318	2,102		

Table SC3 is the only debtors report required by the MBRR.

3.1.2 Supporting Table SC4:

DC5 Central Karoo - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	NT Code	Budget Year 2018/19									Total	Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year				
R thousands													
Creditors Age Analysis By Customer Type													
Bulk Electricity	0100												
Bulk Water	0200												
PAYE deductions	0300												
VAT (output less input)	0400												
Pensions / Retirement deductions	0500												
Loan repayments	0600												
Trade Creditors	0700	603	1	-	27	770						1,400	
Auditor General	0800	171	1,320	-	-	-						1,491	
Other	0900												
Total By Customer Type	1000	774	1,321	-	27	770	-	-	-	-	2,892	-	

3.2

SECTION 6 – GRANT RECEIPTS:

3.2.1 Supporting Table SC6 – Grant Receipts:

DC5 Central Karoo - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

Description	Ref	2017/18	Budget Year		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget						
R thousands										
RECEIPTS:	1.2									
Operating Transfers and Grants										
National Government:		-	32,883	33,678	-	25,869	19,646	5,571	28.4%	-
Local Government Equitable Share			28,502	28,502	-	21,380	16,626	4,754	28.6%	
FMG - Internship Training			1,000	1,000	-	1,000	583			
EPWP Incentive			1,013	1,013	-	710	591			
Rural Asset Management Grant			1,728	1,728	-	1,344	1,008	336	33.3%	
Disaster Management			-	795	-	795	464	331	71.4%	
WC - FMG CAPACITY			280	280	-	280	163			
WP Financial Management Support Grant			360	360	-	360	210	150	71.4%	
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	3,000	3,000	-	2,366	1,750	616	35.2%	-
CHIETA			-	-	-	595	-	595	#DIV/0!	
Audit fee			3,000	3,000	-	1,771	1,750			
Total Operating Transfers and Grants	5	-	35,883	36,678	-	28,235	21,396	6,187	28.9%	-
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
[insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	35,883	36,678	-	28,235	21,396	6,187	28.9%	-

3.2.2 Supporting Table SC7(1) – Grant Expenditure:

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	32,883	33,678	2,761	19,658	19,646	12	0.1%	-
Local Government Equitable Share			28,502	28,502	2,375	16,626	16,626	-		
FMG - Internship Training			1,000	1,000	82	658	583	74	12.7%	
EPWP Incentive			1,013	1,013	(105)	813	591	222	37.6%	
Rural Asset Management Grant			1,728	1,728	224	882	1,008	(126)	-12.5%	
Disaster Management			-	795	184	399	464	(65)	-14.1%	
WC - FMG CAPACITY			280	280	-	280	163	117	71.4%	
WP Financial Management Support Grant			360	360	-	-	210	(210)	-100.0%	
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	3,000	3,000	76	2,657	1,750	907	51.8%	-
CHIETA			-	-	76	887	-	887	#DIV/0!	
Audit fee			3,000	3,000	-	1,771	1,750	21	1.2%	
Total operating expenditure of Transfers and Grants:		-	35,883	36,678	2,837	22,315	21,396	919	4.3%	-
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-		-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	35,883	36,678	2,837	22,315	21,396	919	4.3%	-

3.3 SECTION 7 – CAPITAL PROGRAMME PERFORMANCE:

3.3.1 Supporting Table C12:

Supporting Table C12 reconciled with Table C5.

DC5 Central Karoo - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January

Month	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July		85	85	1	1	85	83	98.5%	0%
August		85	85	39	41	169	129	76.0%	4%
September		85	85	90	131	254	123	48.4%	13%
October		85	85	31	161	338	177	52.3%	16%
November		85	85	5	167	423	256	60.6%	16%
December		85	85	59	226	508	282	55.5%	22%
January		85	85	59	285	592	308	51.9%	28%
February		85	85			677	-		
March		85	85			762	-		
April		85	85			846	-		
May		85	85			931	-		
June		85	105			1,035	-		
Total Capital expenditure	-	1,015	1,035	285					

QUALITY CERTIFICATE

I, **S Jooste**, the Municipal Manager of Central Karoo District Municipality, hereby certify that –

(mark as appropriate)

- The monthly budget statement
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid – year budget and performance assessment

For the month of January 2019 (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print Name : S Jooste

Municipal Manager

Signature



Date: 14 January 2019