

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 BUDGET STATEMENT OCTOBER 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 October 2018 In-Year Report is:

RESOLVED:

- (a) That the Council take note of contents in the in-year monthly report for October 2018 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)	161,498.23	25,763,118.75	29,814,048.21
Percentage Spend (YTD)	16%	32%	36%

The table reflects spending of the capital budget as percentage spent of 16%. The total operating expenditure and revenue reflects percentage spent of 32% and 36% 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 September 2018 is R 5.136 million. Refer to figure 1 for more detail.

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

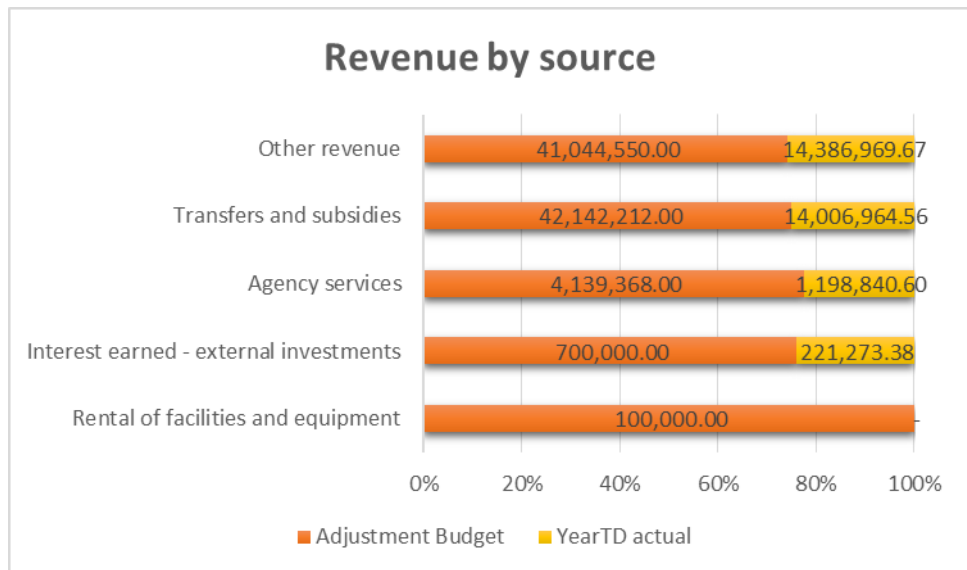


Figure 1 – Revenue by source

- **Other Revenue:**

The amount raised as reflected for the actual year to date represents 35% of the budget amount. The budgeted amount received (Year-to-date) amounts to R 13.682 million.

- **Interest Earned – External Investments:**

The budget amount for Interest earned R 700 000, whilst the year to date actual revenue is R 221 273.38. Thus, reflecting receipt of 32% at the end of October.

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 25.763 million and the year to date budget is R 28.897 million which represents a **variance of 10.8%** for the year to date.

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

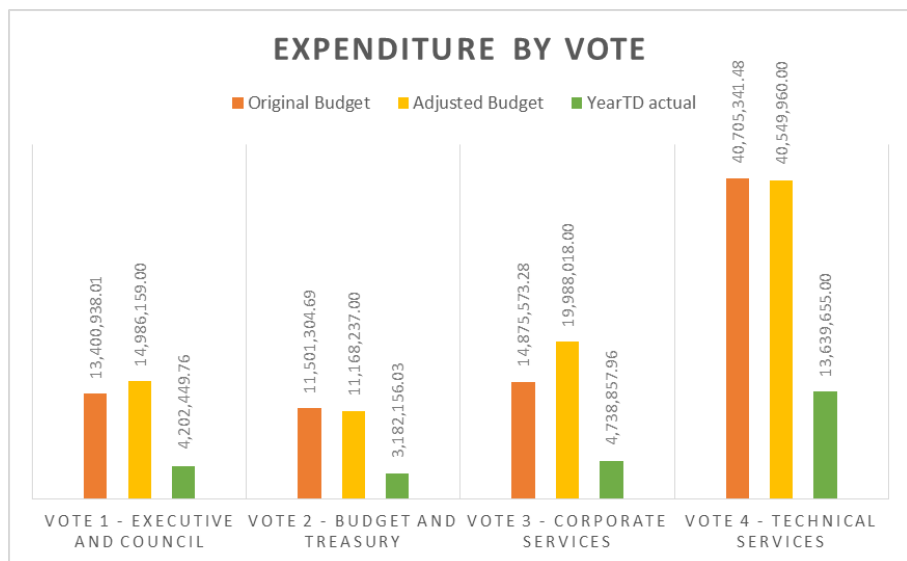


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Original Budget	Adjusted Budget	YearTD actual	% Spend
Vote 1 - EXECUTIVE AND COUNCIL	13,400,938.01	14,986,159.00	4,202,449.76	31%
Vote 2 - BUDGET AND TREASURY	11,501,304.69	11,168,237.00	3,182,156.03	28%
Vote 3 - CORPORATE SERVICES	14,875,573.28	19,988,018.00	4,738,857.96	32%
Vote 4 - TECHNICAL SERVICES	40,705,341.48	40,549,960.00	13,639,655.00	34%
Total Expenditure by Vote	80,483,157.45	86,692,374.00	25,763,118.75	32%

The adjustments budget for Technical Service is R 40.550 million of which R 13.640 million has been expended representing 34% of the budget amount.

The adjustments budget for Corporate Services is R 19.988 million of which R 4.739 million has been expended representing 32% of the budget amount.

The adjustments budget for Budget and Treasury is R 11.168 million of which R 3.182 million has been expended representing 28% of the budget amount.

The adjustments budget for Executive and Council is R 14.986 million of which R 4.202 million has been expended representing 31% of the budget amount.

2.3.2.4 Capital Expenditure (Figure 3):

The capital spending for the month of October 2018 amounts to R 30 635.48. The total capital budget amount is R 1.035 million, thus reflecting total spending of 16% at the end of October.

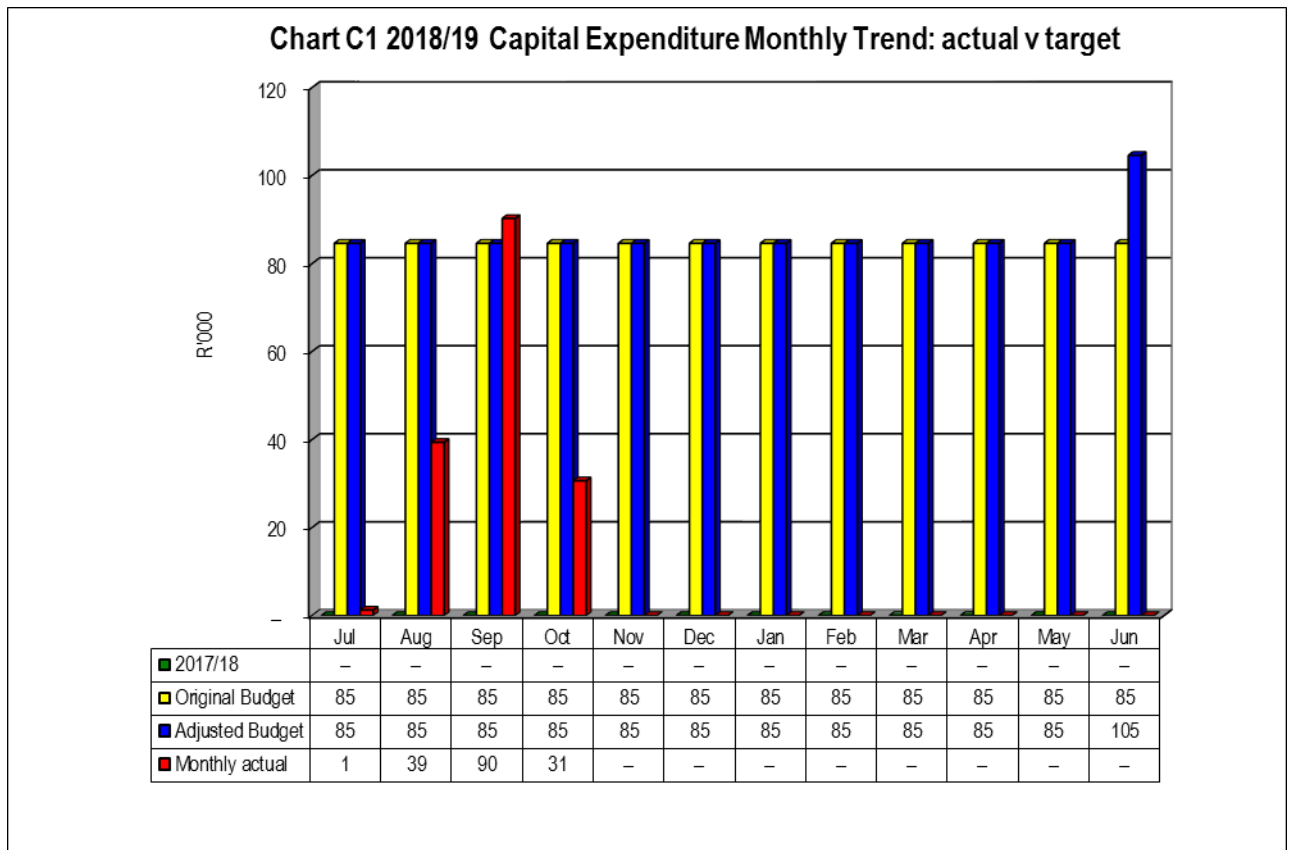


Figure 3 – Breakdown Capital Expenditure by month

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 month for the cash flow statement amounts to R 9.915 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 - M04 October

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	47	221	233	(12)	-5%	-
Transfers and subsidies	-	35,883	42,142	789	14,007	14,047	(40)	-0%	-
Other own revenue	-	45,314	45,284	3,794	15,586	15,095	491	3%	-
Total Revenue (excluding capital transfers and contributions)	-	81,897	88,126	4,630	29,814	29,375	439	1%	-
Employee costs	-	47,419	46,926	3,416	13,704	15,642	(1,938)	-12%	-
Remuneration of Councillors	-	4,032	3,957	321	1,266	1,319	(53)	-4%	-
Depreciation & asset impairment	-	432	486	-	-	162	(162)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	66	1,905	7	141	635	(494)	-78%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	28,535	33,419	2,799	10,653	11,140	(487)	-4%	-
Total Expenditure	-	80,483	86,692	6,544	25,763	28,897	(3,134)	-11%	-
Surplus/(Deficit)	-	1,414	1,434	(1,914)	4,051	478	3,573	748%	-
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	1,414	1,434	(1,914)	4,051	478	3,573	748%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	1,414	1,434	(1,914)	4,051	478	3,573	748%	-
Capital expenditure & funds sources									
Capital expenditure	-	1,015	1,035	31	161	259	(97)	-38%	-
Capital transfers recognised	-	915	915	64	161	229	(67)	-29%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	100	120	(33)	-	30	(30)	-100%	-
Total sources of capital funds	-	1,015	1,035	31	161	259	(97)	-38%	-
Financial position									
Total current assets	11,306	8,131	8,091		16,229				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		10,711				5,590
Total non current liabilities	17,549	20,387	20,387		17,185				20,387
Community wealth/Equity	6,893	1,414	-		7,101				1,414
Cash flows									
Net cash from (used) operating	-	1,846	1,826	(1,914)	6,838	609	(6,229)	-1023%	-
Net cash from (used) investing	-	(1,015)	(1,015)	(31)	88	(338)	(427)	126%	-
Net cash from (used) financing	-	106	106	-	-	35	35	100%	-
Cash/cash equivalents at the month/year end	-	3,925	3,905	-	9,915	3,294	(6,621)	-201%	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	33	195	1,661	5	160	370	-	(1)	2,422
Creditors Age Analysis									
Total Creditors	(597)	86	27	16	2,613	-	-	-	2,145

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) - M04 October

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										
<i>Governance and administration</i>		-	40,904	46,338	1,182	15,588	15,446	142	1%	-
Executive and council		-	35,742	35,934	701	1,436	11,978	(10,543)	-88%	-
Finance and administration		-	5,162	10,404	481	14,152	3,468	10,684	308%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	43	838	4	11	279	(269)	-96%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	795	-	-	265	(265)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	43	43	4	11	14	(3)	-24%	-
<i>Economic and environmental services</i>		-	40,950	40,950	3,445	14,216	13,650	566	4%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	40,950	40,950	3,445	14,216	13,650	566	4%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	81,897	88,126	4,630	29,814	29,375	439	1%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	28,452	34,447	2,221	9,387	11,482	(2,096)	-18%	-
Executive and council		-	8,283	9,049	614	2,554	3,016	(462)	-15%	-
Finance and administration		-	19,777	24,607	1,530	6,580	8,202	(1,622)	-20%	-
Internal audit		-	392	791	77	252	264	(11)	-4%	-
<i>Community and public safety</i>		-	6,440	7,097	359	1,341	2,366	(1,025)	-43%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1,583	2,219	72	291	740	(449)	-61%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	4,856	4,878	287	1,050	1,626	(576)	-35%	-
<i>Economic and environmental services</i>		-	45,434	44,991	3,965	15,035	14,997	38	0%	-
Planning and development		-	3,226	4,441	211	738	1,480	(743)	-50%	-
Road transport		-	42,208	40,550	3,754	14,297	13,517	781	6%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	157	157	-	-	52	(52)	-100%	-
Total Expenditure - Functional	3	-	80,483	86,692	6,544	25,763	28,897	(3,134)	-11%	-
Surplus/ (Deficit) for the year		-	1,414	1,434	(1,914)	4,051	478	3,573	748%	-

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) - M04 October

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	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	35,742	36,034	701	1,436	12,011	(10,576)	-88.0%	-
Vote 2 - BUDGET AND TREASURY		-	5,100	4,300	144	12,615	1,433	11,182	780.1%	-
Vote 3 - CORPORATE SERVICES		-	104	6,842	341	1,548	2,281	(733)	-32.1%	-
Vote 4 - TECHNICAL SERVICES		-	40,950	40,950	3,445	14,216	13,650	566	4.1%	-
Total Revenue by Vote	2	-	81,897	88,126	4,630	29,814	29,375	439	1.5%	-
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	13,401	14,986	1,033	4,202	4,995	(793)	-15.9%	-
Vote 2 - BUDGET AND TREASURY		-	11,501	11,168	642	3,182	3,723	(541)	-14.5%	-
Vote 3 - CORPORATE SERVICES		-	14,876	19,988	1,248	4,739	6,663	(1,924)	-28.9%	-
Vote 4 - TECHNICAL SERVICES		-	40,705	40,550	3,622	13,640	13,517	123	0.9%	-
Total Expenditure by Vote	2	-	80,483	86,692	6,544	25,763	28,897	(3,134)	-10.8%	-
Surplus/ (Deficit) for the year	2	-	1,414	1,434	(1,914)	4,051	478	3,573	747.6%	-

Table C3C: Monthly Budget Statement – Financial:

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M04 October

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	701	1,436	12,011	(10,576)	-88%	-
1.1 - MUNICIPAL MANAGER			6,227	6,519	285	754	2,173	(1,419)	-65%	
1.2 - COUNCIL GENERAL EXPENSES			29,515	29,515	416	682	9,838	(9,157)	-93%	
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	144	12,615	1,433	11,182	780%	-
2.1 - FINANCIAL SERVICES			4,100	3,300	55	12,127	1,100	11,027	1002%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			1,000	1,000	88	488	333	155	46%	
Vote 3 - CORPORATE SERVICES		-	104	6,842	341	1,548	2,281	(733)	-32%	-
3.1 - CORPORATE SERVICES			62	6,004	337	1,537	2,001	(464)	-23%	
3.2 - TOURISM			-	-	-	-	-	-	-	
3.3 - PMU			-	-	-	-	-	-	-	
3.4 - ENVIRONMENTAL HEALTH			43	43	4	11	14	(3)	-24%	
3.5 - CIVIL DEFENCE			-	795	-	-	265	(265)	-100%	
3.6 - GRANTS AND SUBSIDIES			-	-	-	-	-	-	-	
3.7 - WORK FOR WATER			-	-	-	-	-	-	-	
3.8 - NUTRITION SCHEME			-	-	-	-	-	-	-	
Vote 4 - TECHNICAL SERVICES		-	40,950	40,950	3,445	14,216	13,650	566	4%	-
4.1 - ROADS			40,950	40,950	3,445	14,216	13,650	566	4%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Revenue by Vote	2	-	81,897	88,126	4,630	29,814	29,375	439	1%	-
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	13,401	14,986	1,033	4,202	4,995	(793)	-16%	-
1.1 - MUNICIPAL MANAGER			4,720	4,826	334	1,602	1,609	(6)	0%	
1.2 - COUNCIL GENERAL EXPENSES			4,731	5,941	386	1,508	1,980	(472)	-24%	
1.3 - INTERNAL AUDIT			724	791	102	354	264	91	34%	
1.4 - IDP			-	-	-	-	-	-	-	
1.5 - EDA			30	-	-	-	-	-	-	
1.6 - LED			-	-	-	-	-	-	-	
1.7 - STRATEGIC PLANNING			3,196	3,428	211	738	1,143	(405)	-35%	
Vote 2 - BUDGET AND TREASURY		-	11,501	11,168	642	3,182	3,723	(541)	-15%	-
2.1 - FINANCIAL SERVICES			10,730	10,200	578	2,987	3,400	(413)	-12%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			771	969	63	195	323	(128)	-40%	
Vote 3 - CORPORATE SERVICES		-	14,876	19,988	1,248	4,739	6,663	(1,924)	-29%	-
3.1 - CORPORATE SERVICES			8,174	12,734	888	3,397	4,245	(848)	-20%	
3.2 - TOURISM			157	157	-	-	52	(52)	-100%	
3.3 - PMU			-	-	-	-	-	-	-	
3.4 - ENVIRONMENTAL HEALTH			4,861	4,878	287	1,051	1,626	(575)	-35%	
3.5 - CIVIL DEFENCE			1,583	2,219	72	291	740	(449)	-61%	
3.6 - GRANTS AND SUBSIDIES			-	-	-	-	-	-	-	
3.7 - WORK FOR WATER			100	-	-	-	-	-	-	
3.8 - NUTRITION SCHEME			-	-	-	-	-	-	-	
Vote 4 - TECHNICAL SERVICES		-	40,705	40,550	3,622	13,640	13,517	123	1%	-
4.1 - ROADS			40,705	40,550	3,622	13,640	13,517	123	1%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Expenditure by Vote	2	-	80,483	86,692	6,544	25,763	28,897	(3,134)	(0)	-
Surplus/ (Deficit) for the year	2	-	1,414	1,434	(1,914)	4,051	478	3,573	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) - M04 October

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			33	(33)	-100%	
Interest earned - external investments			700	700	47	221	233	(12)	-5%	
Interest earned - outstanding debtors										
Dividends received										
Fines, penalties and forfeits										
Licences and permits										
Agency services			3,947	4,139	300	1,199	1,380	(181)	-13%	
Transfers and subsidies			35,883	42,142	789	14,007	14,047	(40)	0%	
Other revenue			41,267	41,045	3,494	14,387	13,682	705	5%	
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)			81,897	88,126	4,630	29,814	29,375	439	1%	-
Expenditure By Type										
Employee related costs			47,419	46,926	3,416	13,704	15,642	(1,938)	-12%	
Remuneration of councillors			4,032	3,957	321	1,266	1,319	(53)	-4%	
Debt impairment										
Depreciation & asset impairment			432	486			162	(162)	-100%	
Finance charges										
Bulk purchases										
Other materials			66	1,905	7	141	635	(494)	-78%	
Contracted services			1,406	5,362	169	1,104	1,787	(684)	-38%	
Transfers and subsidies										
Other expenditure			27,128	28,057	2,630	9,549	9,352	197	2%	
Loss on disposal of PPE										
Total Expenditure			80,483	86,692	6,544	25,763	28,897	(3,134)	-11%	-
Surplus/(Deficit)										
Transfers and subsidies - capital (inter-entity allocations)										
(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	(1,914)	4,051	478			-
Taxation										
Surplus/(Deficit) after taxation			1,414	1,434	(1,914)	4,051	478			-
Attributable to minorities										
Surplus/(Deficit) attributable to municipality			1,414	1,434	(1,914)	4,051	478			-
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year			1,414	1,434	(1,914)	4,051	478			-

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) - M04 October

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	33	33	25	8	34%	-
Vote 2 - BUDGET AND TREASURY		-	140	140	26	54	35	19	55%	-
Vote 3 - CORPORATE SERVICES		-	697	697	(28)	74	174	(100)	-57%	-
Vote 4 - TECHNICAL SERVICES		-	100	100	-	-	25	(25)	-100%	-
Total Capital single-year expenditure	4	-	1,015	1,035	31	161	259	(97)	-38%	-
Total Capital Expenditure		-	1,015	1,035	31	161	259	(97)	-38%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	719	739	12	122	185	(63)	-34%	-
Executive and council			47	67	(19)	14	17	(3)	-16%	
Finance and administration			673	673	31	108	168	(60)	-36%	
Internal audit			-	-	-	-	-	-	-	
Community and public safety		-	164	164	-	21	41	(20)	-49%	-
Community and social services			-	-	-	-	-	-	-	
Sport and recreation			-	-	-	-	-	-	-	
Public safety			100	100	-	4	25	(21)	-83%	
Housing			-	-	-	-	-	-	-	
Health			64	64	-	17	16	1	4%	
Economic and environmental services		-	132	132	19	19	33	(14)	-42%	-
Planning and development			32	32	19	19	8	11	137%	
Road transport			100	100	-	-	25	(25)	-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	31	161	259	(97)	-38%	-
Funded by:										
National Government			915	915	64	161	229	(67)	-29%	
Provincial Government			-	-	-	-	-	-	-	
District Municipality			-	-	-	-	-	-	-	
Other transfers and grants			-	-	-	-	-	-	-	
Transfers recognised - capital		-	915	915	64	161	229	(67)	-29%	-
Public contributions & donations	5		-	-	-	-	-	-	-	
Borrowing	6		-	-	-	-	-	-	-	
Internally generated funds			100	120	(33)	-	30	(30)	-100%	
Total Capital Funding		-	1,015	1,035	31	161	259	(97)	-38%	-

2.4.1.6 Table C6: Monthly Budget Statement – Financial Position:

DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - M04 October

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	9,915	3,905
Call investment deposits		-	-	(20)	-	(20)
Consumer debtors		-	2,100	2,100	-	2,100
Other debtors		1,878	1,248	1,248	5,726	1,248
Current portion of long-term receivables		-	-	-	-	-
Inventory		677	858	858	589	858
Total current assets		11,306	8,131	8,091	16,229	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	34,998	27,371
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		61	39	39	67	39
Consumer deposits		-	-	-	-	-
Trade and other payables		349	5,551	5,551	5,816	5,551
Provisions		4,166	-	-	4,828	-
Total current liabilities		4,575	5,590	5,590	10,711	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	27,896	25,977
NET ASSETS	2	6,893	1,414	1,394	7,101	1,394
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,893	1,414	1,414	7,101	1,414
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	6,893	1,414	-	7,101	1,414

2.4.1.7 Table C7: Monthly Budget Statement – Cash Flow:

DC5 Central Karoo - Table C7 Monthly Budget Statement - Cash Flow - M04 October

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	3,794	15,105	15,105	-			
Government - operating			35,883	35,883	789	14,007	11,961	2,046	17%		
Government - capital			-	-	-	-	-	-			
Interest			700	700	47	221	233	(12)	-5%		
Dividends			-	-	-	-	-	-			
Payments											
Suppliers and employees			(52,922)	(52,942)	(6,544)	(22,495)	(17,647)	4,848	-27%		
Finance charges			-	-	-	-	-	-			
Transfers and Grants			(27,128)	(27,128)	-	-	(9,043)	(9,043)	100%		
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	1,846	1,826	(1,914)	6,838	609	(6,229)	-1023%	-
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)	(31)	(161)	(338)	(177)	52%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(1,015)	(1,015)	(31)	88	(338)	(427)	126%	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-				-			
Borrowing long term/refinancing			-	-				-			
Increase (decrease) in consumer deposits			106	106			35	(35)	-100%		
Payments											
Repayment of borrowing			-	-			-	-			
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	106	106	-	-	35	35	100%	-
NET INCREASE/ (DECREASE) IN CASH HELD			-	936	916	(1,944)	6,926	305			-
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		9,915	3,294			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 - M04 October

Description	NT Code	Budget Year 2018/19								Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.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				
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	33	195	1,661	5	160	370	-	(1)	2,422	534		
Total By Income Source	2000	33	195	1,661	5	160	370	-	(1)	2,422	534	-	-
2017/18 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200									-	-		
Commercial	2300									-	-		
Households	2400									-	-		
Other	2500	33	195	1,661	5	160	370	-	(1)	2,422	534		
Total By Customer Group	2600	33	195	1,661	5	160	370	-	(1)	2,422	534	-	-

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 - M04 October

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	1,025	70	11	0	770				1,877	
Auditor General	0800	(1,622)	16	16	16	1,843				268	
Other	0900									-	
Total By Customer Type	1000	(597)	86	27	16	2,613	-	-	-	2,145	-

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 - M04 October

Description	Ref	2017/18	Budget Year		Monthly	YearTD	YearTD	YTD	YTD %	Full Year
		Audited	Original	Adjusted						
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	32,883	33,678	-	15,273	11,226	3,557	31.7%	-
Local Government Equitable Share			28,502	28,502	-	11,879	9,501	2,378	25.0%	
FMG - Internship Training			1,000	1,000	-	1,000	333			
EPWP Incentive			1,013	1,013	-	255	338			
Rural Asset Management Grant			1,728	1,728	-	1,344	576	768	133.3%	
Disaster Management			-	795	-	795	265	530	200.0%	
WC - FMG CAPACITY			280	280	-	-	93			
WP Financial Management Support Grant			360	360	-	-	120	(120)	-100.0%	
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	3,000	3,000	1,949	2,076	1,000	1,076	107.6%	-
CHIETA			-	-	179	306	-	306	#DIV/0!	
Audit fee			3,000	3,000	1,771	1,771	1,000	-		
Total Operating Transfers and Grants	5	-	35,883	36,678	1,949	17,349	12,226	4,633	37.9%	-
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	1,949	17,349	12,226	4,633	37.9%	-

3.2.2 Supporting Table SC7(1) – Grant Expenditure:

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

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	3,012	11,328	11,226	102	0.9%	-
Local Government Equitable Share			28,502	28,502	2,375	9,501	9,501	-		
FMG - Internship Training			1,000	1,000	88	488	333	155	46.4%	
EPWP Incentive			1,013	1,013	416	682	338	344	101.9%	
Rural Asset Management Grant			1,728	1,728	132	658	576	82	14.2%	
Disaster Management			-	795	-	-	265	(265)	-100.0%	
WC - FMG CAPACITY			280	280	-	-	93	(93)	-100.0%	
WP Financial Management Support Grant			360	360	-	-	120	(120)	-100.0%	
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	3,000	3,000	2,171	2,353	1,000	1,353	135.3%	-
CHIETA			-	-	400	582	-	582	#DIV/0!	
Audit fee			3,000	3,000	1,771	1,771	1,000	771	77.1%	
Total operating expenditure of Transfers and Grants:		-	35,883	36,678	5,182	13,681	12,226	1,455	11.9%	-
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	5,182	13,681	12,226	1,455	11.9%	-

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 - M04 October

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			423	-		
December		85	85			508	-		
January		85	85			592	-		
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	161					

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 October 2018 (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: 13 November 2018