

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 JANUARY 2020



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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 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.

2.2 SECTION 2 – RESOLUTIONS:

The recommended Resolution to Council with regard to the January 2020 In-Year Report is:

RESOLVED:

- (a) That the Council take note of contents in the in-year monthly report for January 2020 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	743 800,00	96 254 785,45	97 236 676,00
Adjustment Budget	743 800,00	96 363 482,10	97 361 676,00
Actual spend / received (YTD)	50 470,53	48 141 997,92	66 087 662,91
Percentage Spend (YTD)	7%	50%	68%

The table reflects spending of the capital budget of 7%. The total operating expenditure and revenue reflects percentage spent of 50% and 68% 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 2020 is R 14.517 million. Refer to figure 1 for more detail.

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

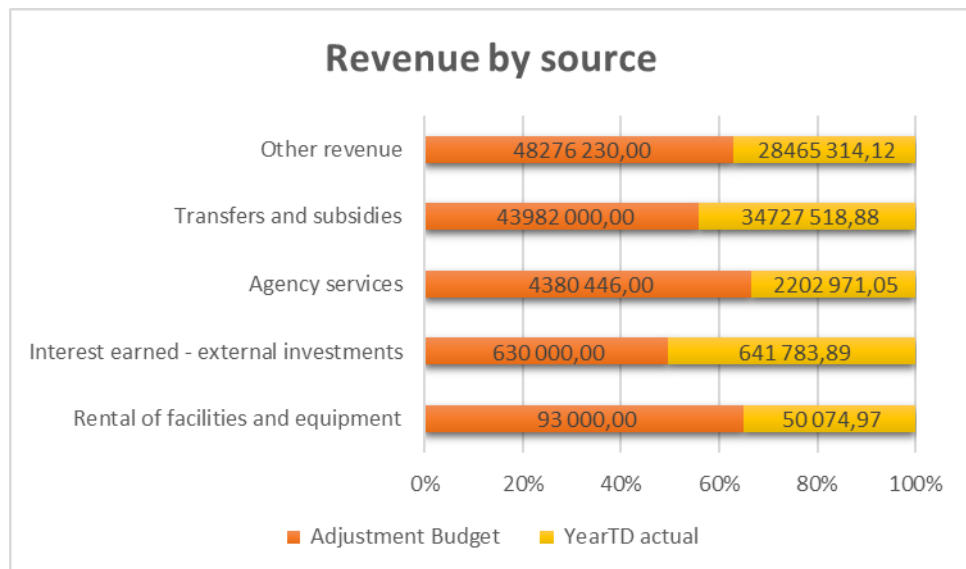


Figure 1 – Revenue by source (*Refer to Grants receipts schedule for actual receipts, page 22)

- **Other Revenue:**

The amount raised as reflected for the actual year to date represents 59% of the total budget amount. The budgeted amount received (Year-to-date) amounts to R 28.161 million.

- **Interest Earned – External Investments:**

The budget amount for Interest earned R 630 000, whilst the year to date actual revenue is R 641 783.89. Thus, reflecting receipt of 102% at the end of Month 7 of the financial year. This will be increased during the adjustment budget process to address the higher anticipated revenue from interest on investments.

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 48.142 million and the year to date budget is R 56.149 million which represents a **variance of 14%** for the year to date.

2.3.2.3 Operating Expenditure by Municipal Vote (Figure 2):

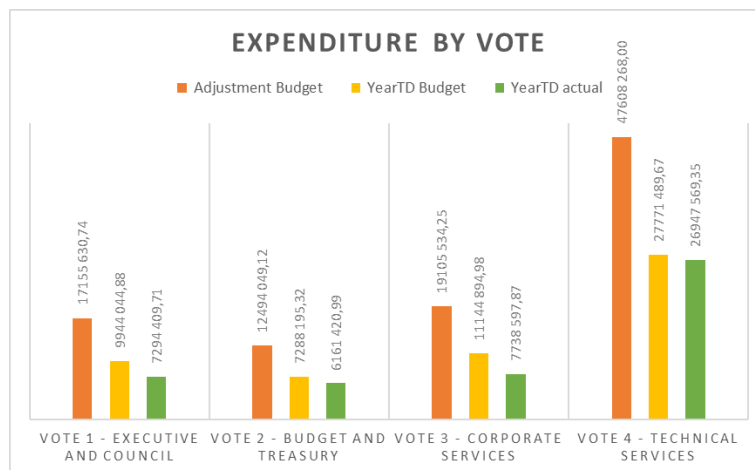


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Adjustment Budget	YearTD Budget	YearTD actual	% Spend
Vote 1 - EXECUTIVE AND COUNCIL	17 155 630,74	9 944 044,88	7 294 409,71	43%
Vote 2 - BUDGET AND TREASURY	12 494 049,12	7 288 195,32	6 161 420,99	49%
Vote 3 - CORPORATE SERVICES	19 105 534,25	11 144 894,98	7 738 597,87	41%
Vote 4 - TECHNICAL SERVICES	47 608 268,00	27 771 489,67	26 947 569,35	57%
Total Expenditure by Vote	96 363 482,10	56 148 624,85	48 141 997,92	50%

The adjustment budget for Technical Service is R 47.608 million of which R 26.948 million has been expended representing 57% of the budget amount.

The adjustment budget for Corporate Services is R 19.106 million of which R 7.739 million has been expended representing 41% of the budget amount.

The adjustment budget for Budget and Treasury is R 12.494 million of which R 6.161 million has been expended representing 49% of the budget amount.

The adjustment budget for Executive and Council is R 17.156 million of which R 7.294 million has been expended representing 43% of the budget amount.

2.3.2.4 Capital Expenditure (Figure 3):

The capital spending for the year to date of amounts to R50 470.53. The total capital budget amount is R 743 800, thus reflecting total spending of 7% at the end of January 2020.

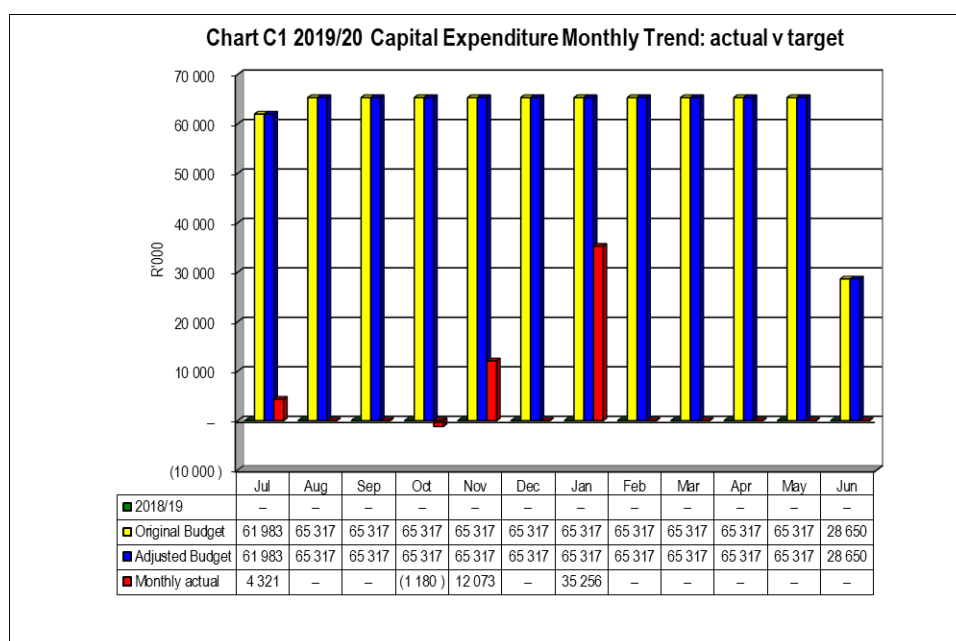


Figure 3 – Breakdown Capital Expenditure by month

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 January for the cash flow statement amounts to R 25.370 million.

2.4 SECTION 4 – IN-YEAR BUDGET STATEMENT TABLE:

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	2018/19	Budget Year 2019/20							
	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	-	630	630	177	642	368	274	75%	-
Transfers and subsidies	-	43 857	43 982	10 264	34 728	25 583	9 144	36%	-
Other own revenue	-	52 750	52 750	4 076	30 718	30 771	(52)	-0%	-
Total Revenue (excluding capital transfers and contributions)	-	97 237	97 362	14 517	66 088	56 721	9 366	17%	-
Employee costs	-	51 840	51 840	3 513	28 163	30 240	(2 077)	-7%	-
Remuneration of Councillors	-	3 796	3 796	330	2 395	2 214	181	8%	-
Depreciation & asset impairment	-	283	283	-	-	165	(165)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	11 502	11 502	15	35	6 709	(6 674)	-99%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	28 834	28 943	1 697	17 548	16 820	728	4%	-
Total Expenditure	-	96 255	96 363	5 555	48 142	56 149	(8 007)	-14%	-
Surplus/(Deficit)	-	982	998	8 962	17 946	573	17 373	3033%	-
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	982	998	8 962	17 946	573	17 373	3033%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	982	998	8 962	17 946	573	17 373	3033%	-
Capital expenditure & funds sources									
Capital expenditure	-	744	1 047	35	50	434	(383)	-88%	-
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	744	744	35	50	434	(383)	-88%	-
Total sources of capital funds	-	744	744	35	50	434	(383)	-88%	-
Financial position									
Total current assets	-	9 443	9 459	-	33 096	-	-	-	9 443
Total non current assets	-	19 261	19 261	-	17 992	-	-	-	19 261
Total current liabilities	-	8 218	8 218	-	9 868	-	-	-	8 218
Total non current liabilities	-	18 091	18 091	-	15 274	-	-	-	18 091
Community wealth/Equity	-	2 396	2 412	-	25 946	-	-	-	2 396
Cash flows									
Net cash from (used) operating	-	1 330	1 346	8 962	19 365	776	(18 589)	-2396%	-
Net cash from (used) investing	-	(784)	(784)	35	(1 094)	(457)	637	-139%	-
Net cash from (used) financing	-	(11)	(11)	-	-	(7)	(7)	100%	-
Cash/cash equivalents at the month/year end	-	4 140	4 157	-	25 370	3 917	(21 453)	-548%	7 099
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	56	32	2	1	-	1 204	-	-	1 295
Creditors Age Analysis									
Total Creditors	120	3	15	0	4	-	-	-	142

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	2018/19	Budget Year 2019/20							
		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		-	47 086	47 211	10 708	37 600	27 467	10 133	37%	-
Executive and council		-	37 969	37 969	10 512	23 246	22 149	1 097	5%	-
Finance and administration		-	9 117	9 117	196	14 354	5 318	9 036	170%	-
Internal audit		-	-	125	-	-	-	-	-	-
Community and public safety		-	45	45	83	122	26	96	368%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	80	80	-	80	#DIV/0!	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	45	45	3	42	26	16	61%	-
Economic and environmental services		-	50 106	50 106	3 727	28 366	29 229	(863)	-3%	-
Planning and development		-	2 331	2 331	-	27	1 360	(1 333)	-98%	-
Road transport		-	47 775	47 775	3 727	28 339	27 869	470	2%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	97 237	97 362	14 517	66 088	56 721	9 366	17%	-
Expenditure - Functional										
Governance and administration		-	33 790	33 899	1 436	15 206	19 711	(4 505)	-23%	-
Executive and council		-	8 473	8 473	648	4 829	4 943	(114)	-2%	-
Finance and administration		-	24 955	24 955	783	10 307	14 557	(4 250)	-29%	-
Internal audit		-	363	471	5	71	212	(141)	-67%	-
Community and public safety		-	6 451	6 451	463	3 578	3 763	(185)	-5%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1 886	1 886	130	954	1 100	(146)	-13%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	4 565	4 565	332	2 624	2 663	(39)	-1%	-
Economic and environmental services		-	55 823	55 823	3 656	29 341	32 564	(3 223)	-10%	-
Planning and development		-	6 432	6 432	327	2 391	3 752	(1 361)	-36%	-
Road transport		-	49 391	49 391	3 329	26 950	28 811	(1 862)	-6%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	190	190	-	17	111	(94)	-85%	-
Total Expenditure - Functional	3	-	96 255	96 363	5 555	48 142	56 149	(8 007)	-14%	-
Surplus/ (Deficit) for the year		-	982	998	8 962	17 946	573	17 373	3033%	-

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	2018/19	Budget Year 2019/20							
		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		-	40 300	40 425	10 512	23 273	23 509	(236)	-1,0%	-
Vote 2 - BUDGET AND TREASURY		-	4 398	4 398	178	14 293	2 566	11 727	457,1%	-
Vote 3 - CORPORATE SERVICES		-	4 763	4 763	100	183	2 779	(2 595)	-93,4%	-
Vote 4 - TECHNICAL SERVICES		-	47 775	47 775	3 727	28 339	27 869	470	1,7%	-
Total Revenue by Vote	2	-	97 237	97 362	14 517	66 088	56 721	9 366	16,5%	-
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	17 047	17 156	983	7 294	9 944	(2 650)	-26,6%	-
Vote 2 - BUDGET AND TREASURY		-	12 494	12 494	212	6 161	7 288	(1 127)	-15,5%	-
Vote 3 - CORPORATE SERVICES		-	19 106	19 106	1 031	7 739	11 145	(3 406)	-30,6%	-
Vote 4 - TECHNICAL SERVICES		-	47 608	47 608	3 329	26 948	27 771	(824)	-3,0%	-
Total Expenditure by Vote	2	-	96 255	96 363	5 555	48 142	56 149	(8 007)	-14,3%	-
Surplus/ (Deficit) for the year	2	-	982	998	8 962	17 946	573	17 373	3033,1%	-

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	2018/19	Budget Year 2019/20							
		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		-	40 300	40 425	10 512	23 273	23 509	(236)	-1%	-
1.1 - MUNICIPAL MANAGER			8 558	8 558	298	2 309	4 992	(2 683)	-54%	
1.2 - COUNCIL GENERAL EXPENSES			30 642	30 642	10 214	20 937	17 875	3 062	17%	
1.3 - INTERNAL AUDIT			-	125	-	-	-	-	-	
1.4 - IDP			-	-	-	-	-	-	-	
1.5 - EDA			-	-	-	-	-	-	-	
1.6 - LED			-	-	-	-	-	-	-	
1.7 - STRATEGIC PLANNING			1 100	1 100	-	27	642	(615)	-96%	
Vote 2 - BUDGET AND TREASURY		-	4 398	4 398	178	14 293	2 566	11 727	457%	-
2.1 - FINANCIAL SERVICES			3 398	3 398	178	13 753	1 982	11 771	594%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			1 000	1 000	-	540	583	(44)	-7%	
Vote 3 - CORPORATE SERVICES		-	4 763	4 763	100	183	2 779	(2 595)	-93%	-
3.1 - CORPORATE SERVICES			4 719	4 719	17	61	2 752	(2 691)	-98%	
3.2 - TOURISM			-	-	-	-	-	-	-	
3.3 - PMU			-	-	-	-	-	-	-	
3.4 - ENVIRONMENTAL HEALTH			45	45	3	42	26	16	61%	
3.5 - CIVIL DEFENCE			-	-	80	80	-	80	#DIV/0!	
3.6 - GRANTS AND SUBSIDIES			-	-	-	-	-	-	-	
3.7 - WORK FOR WATER			-	-	-	-	-	-	-	
3.8 - NUTRITION SCHEME			-	-	-	-	-	-	-	
Vote 4 - TECHNICAL SERVICES		-	47 775	47 775	3 727	28 339	27 869	470	2%	-
4.1 - ROADS			47 775	47 775	3 727	28 339	27 869	470	2%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Revenue by Vote	2	-	97 237	97 362	14 517	66 088	56 721	9 366	17%	-
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	17 047	17 156	983	7 294	9 944	(2 650)	-27%	-
1.1 - MUNICIPAL MANAGER			6 226	6 226	211	1 656	3 632	(1 976)	-54%	
1.2 - COUNCIL GENERAL EXPENSES			4 894	4 894	411	2 977	2 855	122	4%	
1.3 - INTERNAL AUDIT			717	826	35	270	418	(148)	-35%	
1.4 - IDP			-	-	-	-	-	-	-	
1.5 - EDA			-	-	-	-	-	-	-	
1.6 - LED			-	-	-	-	-	-	-	
1.7 - STRATEGIC PLANNING			5 209	5 209	327	2 391	3 039	(648)	-21%	
Vote 2 - BUDGET AND TREASURY		-	12 494	12 494	212	6 161	7 288	(1 127)	-15%	-
2.1 - FINANCIAL SERVICES			11 864	11 864	154	5 838	6 921	(1 083)	-16%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			630	630	58	324	368	(44)	-12%	
Vote 3 - CORPORATE SERVICES		-	19 106	19 106	1 031	7 739	11 145	(3 406)	-31%	-
3.1 - CORPORATE SERVICES			12 359	12 359	568	4 143	7 209	(3 067)	-43%	
3.2 - TOURISM			190	190	-	17	111	(94)	-85%	
3.3 - PMU			-	-	-	-	-	-	-	
3.4 - ENVIRONMENTAL HEALTH			4 570	4 570	332	2 624	2 666	(42)	-2%	
3.5 - CIVIL DEFENCE			1 886	1 886	130	954	1 100	(146)	-13%	
3.6 - GRANTS AND SUBSIDIES			-	-	-	-	-	-	-	
3.7 - WORK FOR WATER			100	100	-	-	58	(58)	-100%	
3.8 - NUTRITION SCHEME			-	-	-	-	-	-	-	
Vote 4 - TECHNICAL SERVICES		-	47 608	47 608	3 329	26 948	27 771	(824)	-3%	-
4.1 - ROADS			47 608	47 608	3 329	26 948	27 771	(824)	-3%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Expenditure by Vote	2	-	96 255	96 363	5 555	48 142	56 149	(8 007)	(0)	-
Surplus/ (Deficit) for the year	2	-	982	998	8 962	17 946	573	17 373	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	Budget Year 2019/20								
		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		93	93	7	50	54	(4)	-8%		
Interest earned - external investments		630	630	177	642	368	274	75%		
Interest earned - outstanding debtors		-	-	-	-	-	-			
Dividends received		-	-	-	-	-	-			
Fines, penalties and forfeits		-	-	-	-	-	-			
Licences and permits		-	-	-	-	-	-			
Agency services		4 380	4 380	315	2 203	2 555	(352)	-14%		
Transfers and subsidies		43 857	43 982	10 264	34 728	25 583	9 144	36%		
Other revenue		48 276	48 276	3 754	28 465	28 161	304	1%		
Gains on disposal of PPE		-	-	-	-	-	-			
Total Revenue (excluding capital transfers and contributions)		-	97 237	97 362	14 517	66 088	56 721	9 366	17%	-
Expenditure By Type										
Employee related costs			51 840	51 840	3 513	28 163	30 240	(2 077)	-7%	
Remuneration of councillors			3 796	3 796	330	2 395	2 214	181	8%	
Debt impairment			-	-	-	-	-	-		
Depreciation & asset impairment			283	283	-	-	165	(165)	-100%	
Finance charges			-	-	-	-	-	-		
Bulk purchases			-	-	-	-	-	-		
Other materials			11 502	11 502	15	35	6 709	(6 674)	-99%	
Contracted services			16 979	17 088	17	782	9 904	(9 122)	-92%	
Transfers and subsidies			-	-	-	-	-	-		
Other expenditure			11 855	11 855	1 680	16 766	6 915	9 851	142%	
Loss on disposal of PPE			-	-	-	-	-	-		
Total Expenditure		-	96 255	96 363	5 555	48 142	56 149	(8 007)	-14%	-
Surplus/(Deficit)		-	982	998	8 962	17 946	573	17 373	0	-
Transfers and subsidies - capital (monetary 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		-	982	998	8 962	17 946	573			-
Taxation										
Surplus/(Deficit) after taxation		-	982	998	8 962	17 946	573			-
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		-	982	998	8 962	17 946	573			-
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		-	982	998	8 962	17 946	573			-

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	2018/19		Budget Year 2019/20						
		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		-	132	98	22	32	77	(45)	-58%	-
Vote 2 - BUDGET AND TREASURY		-	60	140	13	13	35	(22)	-63%	-
Vote 3 - CORPORATE SERVICES		-	552	709	-	6	322	(317)	-98%	-
Vote 4 - TECHNICAL SERVICES		-	-	100	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	744	1 047	35	50	434	(383)	-88%	-
Total Capital Expenditure		-	744	1 047	35	50	434	(383)	-88%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	195	195	13	24	114	(89)	-79%	-
Executive and council			31	31	-	8	18	(10)	-55%	
Finance and administration			164	164	13	16	95	(79)	-83%	
Internal audit			-	-	-	-	-	-	-	
Community and public safety		-	449	449	-	3	262	(259)	-99%	-
Community and social services			-	-	-	-	-	-	-	
Sport and recreation			-	-	-	-	-	-	-	
Public safety			406	406	-	-	237	(237)	-100%	
Housing			-	-	-	-	-	-	-	
Health			43	43	-	3	25	(23)	-90%	
Economic and environmental services		-	101	101	22	24	59	(35)	-59%	-
Planning and development			101	101	22	24	59	(35)	-59%	
Road transport			-	-	-	-	-	-	-	
Environmental protection			-	-	-	-	-	-	-	
Trading services		-	-	-	-	-	-	-	-	-
Energy sources			-	-	-	-	-	-	-	
Water management			-	-	-	-	-	-	-	
Waste water management			-	-	-	-	-	-	-	
Waste management			-	-	-	-	-	-	-	
Other			-	-	-	-	-	-	-	
Total Capital Expenditure - Functional Classification	3	-	744	744	35	50	434	(383)	-88%	-
Funded by:										
National Government			-	-	-	-	-	-	-	
Provincial Government			-	-	-	-	-	-	-	
District Municipality			-	-	-	-	-	-	-	
Other transfers and grants			-	-	-	-	-	-	-	
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Public contributions & donations	5		-	-	-	-	-	-	-	
Borrowing	6		-	-	-	-	-	-	-	
Internally generated funds			744	744	35	50	434	(383)	-88%	-
Total Capital Funding		-	744	744	35	50	434	(383)	-88%	-

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	2018/19	Budget Year 2019/20				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
R thousands	1						
ASSETS							
Current assets							
Cash			4 140	4 157	7 889	4 140	
Call investment deposits			–	–	17 482	–	
Consumer debtors			3 275	3 275	–	3 275	
Other debtors			1 315	1 315	7 018	1 315	
Current portion of long-term receivables			–	–	–	–	
Inventory			713	713	708	713	
Total current assets			–	9 443	9 459	33 096	9 443
Non current assets							
Long-term receivables			10 020	10 020	9 401	10 020	
Investments			–	–	–	–	
Investment property			–	–	–	–	
Investments in Associate			–	–	–	–	
Property, plant and equipment			9 149	9 149	8 479	9 149	
Agricultural			–	–	–	–	
Biological			–	–	–	–	
Intangible			93	93	112	93	
Other non-current assets			–	–	–	–	
Total non current assets			–	19 261	19 261	17 992	19 261
TOTAL ASSETS			–	28 704	28 720	51 088	28 704
LIABILITIES							
Current liabilities							
Bank overdraft			–	–	–	–	
Borrowing			39	39	70	39	
Consumer deposits			–	–	–	–	
Trade and other payables			8 179	8 179	5 222	8 179	
Provisions			–	–	4 576	–	
Total current liabilities			–	8 218	8 218	9 868	8 218
Non current liabilities							
Borrowing			90	90	21	90	
Provisions			18 001	18 001	15 254	18 001	
Total non current liabilities			–	18 091	18 091	15 274	18 091
TOTAL LIABILITIES			–	26 309	26 309	25 142	26 309
NET ASSETS	2		–	2 396	2 412	25 946	2 396
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			2 396	2 412	25 946	2 396	
Reserves			–	–	–	–	
TOTAL COMMUNITY WEALTH/EQUITY	2		–	2 396	2 412	25 946	2 396

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	Budget Year 2019/20									
		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			52 790	52 790	4 076	30 718	30 794	(76)	0%		
Government - operating			43 717	43 842	10 264	34 728	25 502	9 226	36%		
Government - capital			-	-	-	-	-	-			
Interest			600	600	177	664	350	314	90%		
Dividends			-	-	-	-	-	-			
Payments											
Suppliers and employees			(95 776)	(95 885)	(5 555)	(46 744)	(55 870)	(9 125)	16%		
Finance charges			-	-	-	-	-	-			
Transfers and Grants			-	-	-	-	-	-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	1 330	1 346	8 962	19 365	776	(18 589)	-2396%	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			-	-				-			
Decrease (Increase) in non-current debtors			-	-				-			
Decrease (increase) other non-current receivables			-	-	-	(1 044)	-	(1 044)	#DIV/0!		
Decrease (increase) in non-current investments			-	-				-			
Payments											
Capital assets			(784)	(784)	35	(50)	(457)	(407)	89%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(784)	(784)	35	(1 094)	(457)	637	-139%	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-				-			
Borrowing long term/refinancing			-	-				-			
Increase (decrease) in consumer deposits			-	-				-			
Payments											
Repayment of borrowing			(11)	(11)				(7)	100%		
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	(11)	(11)	-	-	(7)	(7)	100%	-
NET INCREASE/ (DECREASE) IN CASH HELD			-	535	551	8 997	18 271	312			-
Cash/cash equivalents at beginning:			3 605	3 605		7 099	3 605				7 099
Cash/cash equivalents at month/year end:			-	4 140	4 157		25 370	3 917			7 099

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 2019/20									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	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	56	32	2	1	-	1 204	-	-	1 295	1 205		
Total By Income Source	2000	56	32	2	1	-	1 204	-	-	1 295	1 205	-	-
2018/19 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200												
Commercial	2300												
Households	2400												
Other	2500	56	32	2	1	-	1 204	-	-	1 295	1 205		
Total By Customer Group	2600	56	32	2	1	-	1 204	-	-	1 295	1 205	-	-

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 2019/20									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	120	3	15	0	4	-	-				142	
Auditor General	0800												
Other	0900												
Total By Customer Type	1000	120	3	15	0	4	-	-	-	-	-	142	-

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	2018/19	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:		-	34 908	34 908	-	26 270	20 363	5 346	26,3%	-
Local Government Equitable Share			30 642	30 642	-	22 982	17 875	5 108	28,6%	
FMG - Internship Training			1 000	1 000	-	1 000	583			
EPWP Incentive			1 231	1 231	-	862	718			
Rural Asset Management Grant			2 035	2 035	-	1 426	1 187	239	20,1%	
Provincial Government:		-	1 759	1 884	-	280	1 026	(642)	-62,5%	-
WK FMG KAPASITEIT AFS			-	-	-	-	-	-		
Disaster Management			-	-	-	-	-	-		
WP Financial Management Support Grant			280	405	-	280	163			
WC - FMG CAPACITY			379	379	-	-	221			
WK FMG ERM SYSTEM			-	-	-	-	-			
WK FMG PDO COMPLIANCE			-	-	-	-	-			
WK FMG ERM SYSTEM ROLL-FORWARD			-	-	-	-	-			
WK FMG CAPACITY AUDIT ASSISTANCE			-	-	-	-	-			
WK FMG CAPACITY IA SYSTEM			-	-	-	-	-			
WOSA			1 100	1 100	-	-	642	(642)	-100,0%	
LG GEGRADUEERDE INTERNSKAP	4		-	-	-	-	-	-		
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		-	7 190	7 190	-	439	4 194	(3 755)	-89,5%	-
CHIETA			1 300	1 300	-	439	758	(319)	-42,1%	
LGSETA			2 850	2 850	-	-	1 663			
LGSETA MANDATORY GRANT			40	40	-	-	23			
Audit fee			3 000	3 000	-	-	1 750			
Total Operating Transfers and Grants	5	-	43 857	43 982	-	26 989	25 583	950	3,7%	-
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
<i>Other capital transfers [insert description]</i>										
Provincial Government:		-	-	-	-	-	-	-		-
Fire department capacity building										
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	43 857	43 982	-	26 989	25 583	950	3,7%	-

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	2018/19	Budget Year 2019/20							
		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:		-	34 908	34 908	2 726	19 262	20 363	(1 101)	-5,4%	-
Local Government Equitable Share			30 642	30 642	2 554	17 875	17 875	-		
FMG - Internship Training			1 000	1 000	60	670	583	87	14,9%	
EPWP Incentive			1 231	1 231	112	717	718	(1)	-0,1%	
Rural Asset Management Grant			2 035	2 035	-	-	1 187	(1 187)	-100,0%	
Provincial Government:		-	1 759	1 884	4	705	1 026	-		-
WK FMG KAPASITEIT AFS			-	-	-	-	-	-		
Disaster Management			-	-	-	-	-	-		
WP Financial Management Support Grant			280	405	-	244	163			
WC - FMG CAPACITY			379	379	-	129	221			
WK FMG ERM SYSTEM			-	-	-	-	-			
WK FMG PDO COMPLIANCE			-	-	-	-	-			
WK FMG ERM SYSTEM ROLL-FORWARD			-	-	-	-	-			
WK FMG CAPACITY AUDIT ASSISTANCE			-	-	-	-	-			
WK FMG CAPACITY IA SYSTEM			-	-	-	-	-			
WOSA			1 100	1 100	4	333	642			
LG GEGRADUEERDE INTERNSKAP			-	-	-	-	-			
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		-	7 190	7 190	-	16	4 194	(4 178)	-99,6%	-
CHIETA			1 300	1 300	-	3	758	(755)	-99,6%	
LGSETA			2 850	2 850	-	-	1 663			
LGSETA MANDATORY GRANT			40	40	-	13	23			
<i>Audit fee</i>			3 000	3 000	-	-	1 750	(1 750)	-100,0%	
Total operating expenditure of Transfers and Grants:		-	43 857	43 982	2 730	19 983	25 583	(5 279)	-20,6%	-
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Other capital transfers <i>[insert description]</i>										
Provincial Government:		-	-	-	-	-	-	-		-
Fire department capacity building										
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-		-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	43 857	43 982	2 730	19 983	25 583	(5 279)	-20,6%	-

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	2018/19	Budget Year 2019/20							
	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		62	62	4	4	62	58	93,0%	1%
August		65	65	-		127	-		
September		65	65	-		193	-		
October		65	65	(1)		258	-		
November		65	65	12	#VALUE!	323	#VALUE!	#VALUE!	#VALUE!
December		65	65	-		389	-		
January		65	65	35	#VALUE!	454	#VALUE!	#VALUE!	#VALUE!
February		65	65			519	-		
March		65	65			585	-		
April		65	65			650	-		
May		65	65			715	-		
June		29	29			744	-		
Total Capital expenditure	-	744	744	50					

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 for 2019/2020 financial 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: 11 February 2020