

# 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 JUNE 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 July 2020 In-Year Report is:

### ***RESOLVED:***

- (a)     That the Council take note of contents in the in-year monthly report for July 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.

	<b><u>Capital Expenditure</u></b>	<b><u>Operating Expenditure</u></b>	<b><u>Operating Revenue</u></b>
Original Budget	428 100,00	100 231 945,00	101 014 853,00
Actual spend / received (YTD)	-	6 357 352,81	14 864 897,88
<b>Percentage Spend (YTD)</b>	<b>0%</b>	<b>6%</b>	<b>15%</b>



The table reflects spending of the capital budget of 0%. The total operating expenditure and revenue reflects percentage spent of 6% and 15% 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 comparisons of the major sources of revenue are illustrated in the figure below:

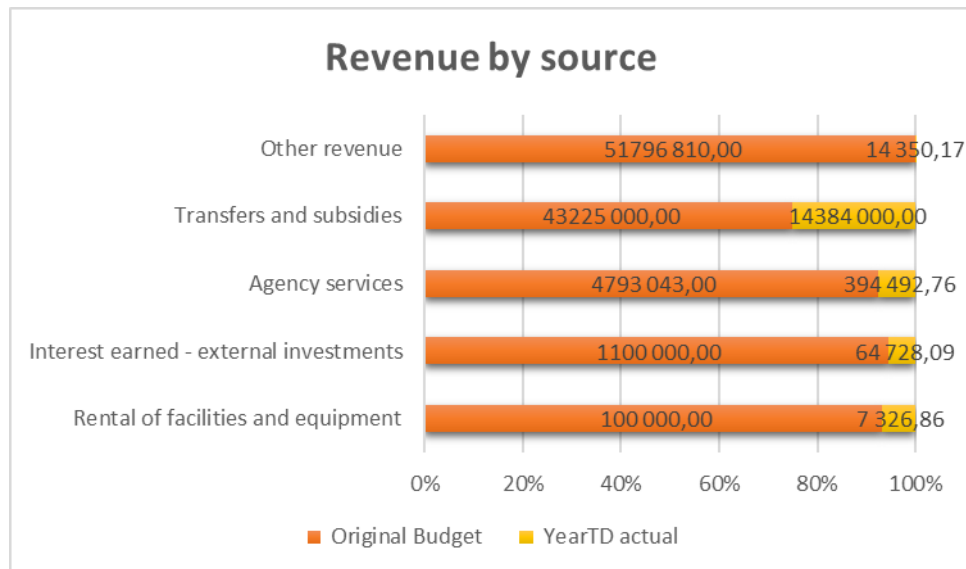


Figure 1 – Revenue by source (\*Refer to Grants receipts schedule for actual receipts, page 22)

- **Other Revenue:**

The amount raised as reflected for the actual year to date represents 0.03% of the total budget amount. The budgeted amount received (Year-to-date) amounts to R 4.316 million.

- **Interest Earned – External Investments:**

The original budget amount for Interest earned R 1 100 000, whilst the year to date actual revenue is R 14 350.17. Thus, reflecting receipt of 6% at the end of Month 01 of the financial year.

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 6.357 million and the year to date budget is R 8.353 million which represents a **variance of 24%** for the year to date.

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

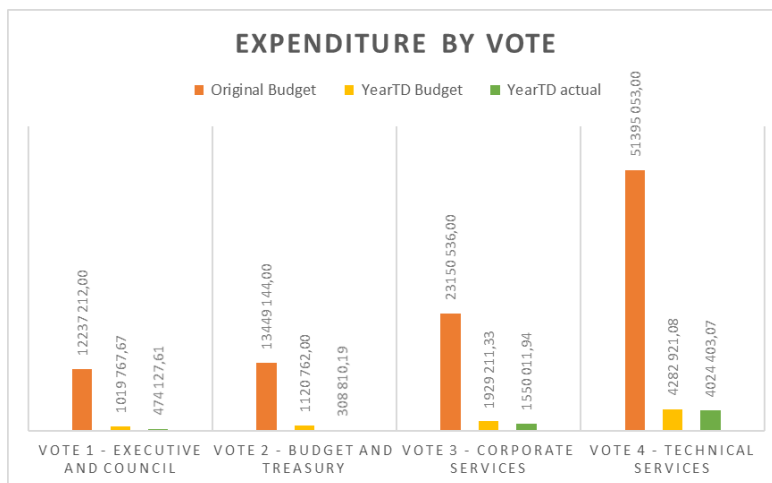


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Original Budget	YearTD Budget	YearTD actual	% Spend
Vote 1 - EXECUTIVE AND COUNCIL	12 237 212,00	1 019 767,67	474 127,61	4%
Vote 2 - BUDGET AND TREASURY	13 449 144,00	1 120 762,00	308 810,19	2%
Vote 3 - CORPORATE SERVICES	23 150 536,00	1 929 211,33	1 550 011,94	7%
Vote 4 - TECHNICAL SERVICES	51 395 053,00	4 282 921,08	4 024 403,07	8%
<b>Total Expenditure by Vote</b>	<b>100 231 945,00</b>	<b>8 352 662,08</b>	<b>6 357 352,81</b>	<b>6%</b>

The original budget for Technical Service is R 51.395 million of which R 4.024 million has been expended representing 8% of the budget amount.

The original budget for Corporate Services is R 23.151 million of which R 1.550 million has been expended representing 7% of the budget amount.

The original budget for Budget and Treasury is R 13.449 million of which R 0.309 million has been expended representing 2% of the budget amount.

The original budget for Executive and Council is R 12.237 million of which R 0.474 million has been expended representing 4% of the budget amount.

#### 2.3.2.4 Capital Expenditure (Figure 3):

There is no capital spending for the year to date. The total capital budget amount is R 428 100.

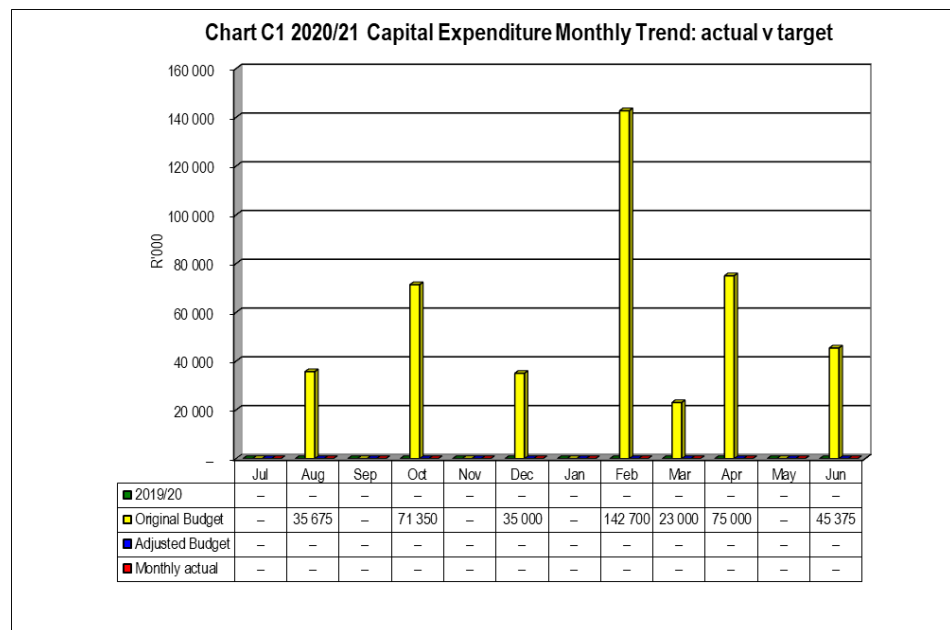


Figure 3 – Breakdown Capital Expenditure by month

### **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 July for the cash flow statement amounts to R 24.687 million.

2. **SECTION 4 – IN-YEAR BUDGET STATEMENT TABLE:**

4

2.4.1. **Table C1: Monthly Budget Statement Summary:**

1

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 - M01 July

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	1 100	-	65	65	92	(27)	-29%	-
Transfers and subsidies	-	43 225	-	14 384	14 384	3 602	10 782	299%	-
Other own revenue	-	56 690	-	416	416	4 724	(4 308)	-91%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>101 015</b>	-	<b>14 865</b>	<b>14 865</b>	<b>8 418</b>	<b>6 447</b>	<b>77%</b>	-
Employee costs	-	52 928	-	3 556	3 556	4 411	(854)	-19%	-
Remuneration of Councillors	-	4 941	-	333	333	412	(79)	-19%	-
Depreciation & asset impairment	-	651	-	-	-	54	(54)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	76	-	4	4	6	(2)	-32%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	41 637	-	2 464	2 464	3 470	(1 006)	-29%	-
<b>Total Expenditure</b>	-	<b>100 232</b>	-	<b>6 357</b>	<b>6 357</b>	<b>8 353</b>	<b>(1 995)</b>	<b>-24%</b>	-
<b>Surplus/(Deficit)</b>	-	<b>783</b>	-	<b>8 508</b>	<b>8 508</b>	<b>65</b>	<b>8 442</b>	<b>12940%</b>	-
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>783</b>	-	<b>8 508</b>	<b>8 508</b>	<b>65</b>	<b>8 442</b>	<b>12940%</b>	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>783</b>	-	<b>8 508</b>	<b>8 508</b>	<b>65</b>	<b>8 442</b>	<b>12940%</b>	-
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>428</b>	-	-	-	<b>36</b>	<b>(36)</b>	<b>-100%</b>	-
Capital transfers recognised	-	370	-	-	-	31	(31)	-100%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	58	-	-	-	5	(5)	-100%	-
<b>Total sources of capital funds</b>	-	<b>428</b>	-	-	-	<b>36</b>	<b>(36)</b>	<b>-100%</b>	-
<b>Financial position</b>									
Total current assets	-	10 169	-	-	25 670				10 169
Total non current assets	-	20 767	-	-	17 992				20 767
Total current liabilities	-	8 259	-	-	10 844				8 259
Total non current liabilities	-	19 009	-	-	15 254				19 009
Community wealth/Equity	-	3 669	-	-	17 564				3 669
<b>Cash flows</b>									
Net cash from (used) operating	-	1 434	-	9 302	9 302	119	(9 182)	-7686%	-
Net cash from (used) investing	-	103	-	-	-	44	44	100%	-
Net cash from (used) financing	-	(36)	-	-	-	(3)	(3)	100%	-
<b>Cash/cash equivalents at the month/year end</b>	-	<b>5 585</b>	-	-	<b>24 687</b>	<b>4 245</b>	<b>(20 442)</b>	<b>-482%</b>	<b>15 386</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	(19)	12	2	11	143	1 018	-	(1)	1 166
<b>Creditors Age Analysis</b>									
Total Creditors	564	-	-	(19)	-	-	-	-	545

2.4.1. 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) - M01 July

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		-	47 424	-	14 865	14 865	3 952	10 913	276%	-
Executive and council		-	39 453	-	394	394	3 288	(2 893)	-88%	-
Finance and administration		-	7 971	-	14 470	14 470	664	13 806	2079%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	47	-	0	0	4	(4)	-98%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	47	-	0	0	4	(4)	-98%	-
<i>Economic and environmental services</i>		-	53 544	-	-	-	4 462	(4 462)	-100%	-
Planning and development		-	2 100	-	-	-	175	(175)	-100%	-
Road transport		-	51 444	-	-	-	4 287	(4 287)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	101 015	-	14 865	14 865	8 418	6 447	77%	-
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	36 475	-	1 728	1 728	3 040	(1 311)	-43%	-
Executive and council		-	11 195	-	431	431	933	(502)	-54%	-
Finance and administration		-	24 235	-	1 254	1 254	2 020	(765)	-38%	-
Internal audit		-	1 044	-	43	43	87	(44)	-51%	-
<i>Community and public safety</i>		-	6 843	-	406	406	570	(164)	-29%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1 787	-	100	100	149	(48)	-33%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	5 056	-	306	306	421	(115)	-27%	-
<i>Economic and environmental services</i>		-	56 874	-	4 223	4 223	4 740	(517)	-11%	-
Planning and development		-	5 479	-	198	198	457	(258)	-57%	-
Road transport		-	51 395	-	4 024	4 024	4 283	(259)	-6%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	40	-	-	-	3	(3)	-100%	-
<b>Total Expenditure - Functional</b>	3	-	100 232	-	6 357	6 357	8 353	(1 995)	-24%	-
<b>Surplus/ (Deficit) for the year</b>		-	783	-	8 508	8 508	65	8 442	12940%	-

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) - M01 July

Vote Description	Ref	2019/20	Budget Year 2020/21							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	39 453	-	394	394	3 288	(2 893)	-88,0%	-
Vote 2 - BUDGET AND TREASURY		-	4 436	-	14 394	14 394	370	14 025	3793,9%	-
Vote 3 - CORPORATE SERVICES		-	5 681	-	76	76	473	(397)	-83,9%	-
Vote 4 - TECHNICAL SERVICES		-	51 444	-	-	-	4 287	(4 287)	-100,0%	-
<b>Total Revenue by Vote</b>	2	-	<b>101 015</b>	-	<b>14 865</b>	<b>14 865</b>	<b>8 418</b>	<b>6 447</b>	<b>76,6%</b>	-
<b>Expenditure by Vote</b>										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	12 237	-	474	474	1 020	(546)	-53,5%	-
Vote 2 - BUDGET AND TREASURY		-	13 449	-	309	309	1 121	(812)	-72,4%	-
Vote 3 - CORPORATE SERVICES		-	23 151	-	1 550	1 550	1 929	(379)	-19,7%	-
Vote 4 - TECHNICAL SERVICES		-	51 395	-	4 024	4 024	4 283	(259)	-6,0%	-
<b>Total Expenditure by Vote</b>	2	-	<b>100 232</b>	-	<b>6 357</b>	<b>6 357</b>	<b>8 353</b>	<b>(1 995)</b>	<b>-23,9%</b>	-
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>783</b>	-	<b>8 508</b>	<b>8 508</b>	<b>65</b>	<b>8 442</b>	<b>12939,9%</b>	-

**Table C3C: Monthly Budget Statement – Financial:**

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M01 July

Vote Description	Ref	2019/20	Budget Year 2020/21						YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget				
<b>Revenue by Vote</b>	1										
<b>Vote 1 - EXECUTIVE AND COUNCIL</b>		-	39 453	-	394	394	3 288	(2 893)	-88%	-	
1.1 - MUNICIPAL MANAGER			5 290		394	394	441	(46)	-11%		
1.2 - COUNCIL GENERAL EXPENSES			32 215		-	-	2 685	(2 685)	-100%		
1.3 - INTERNAL AUDIT			-		-	-	-	-			
1.4 - EDA			-		-	-	-	-			
1.5 - RAMMS			1 948		-	-	162	(162)	-100%		
<b>Vote 2 - BUDGET AND TREASURY</b>		-	4 436	-	14 394	14 394	370	14 025	3794%	-	
2.1 - FINANCIAL SERVICES			3 436		14 394	14 394	286	14 108	4927%		
2.2 - DISTRICT COUNCIL LEVIES			-		-	-	-	-			
2.3 - FINANCE MANAGEMENT GRANT			1 000		-	-	83	(83)	-100%		
<b>Vote 3 - CORPORATE SERVICES</b>		-	5 681	-	76	76	473	(397)	-84%	-	
3.1 - CORPORATE SERVICES			3 535		76	76	295	(219)	-74%		
3.2 - TOURISM			-		-	-	-	-			
3.3 - STRATEGIC PLANNING			2 100		-	-	175	(175)	-100%		
3.4 - ENVIRONMENTAL HEALTH			47		0	0	4	(4)	-98%		
<b>Vote 4 - TECHNICAL SERVICES</b>		-	51 444	-	-	-	4 287	(4 287)	-100%	-	
4.1 - ROADS			51 444		-	-	4 287	(4 287)	-100%		
4.2 - TRANSPORT FUND			-		-	-	-	-			
<b>Total Revenue by Vote</b>	2	-	101 015	-	14 865	14 865	8 418	6 447	77%	-	
<b>Expenditure by Vote</b>	1										
<b>Vote 1 - EXECUTIVE AND COUNCIL</b>		-	12 237	-	474	474	1 020	(546)	-54%	-	
1.1 - MUNICIPAL MANAGER			3 038		89	89	253	(164)	-65%		
1.2 - COUNCIL GENERAL EXPENSES			6 207		343	343	517	(175)	-34%		
1.3 - INTERNAL AUDIT			1 044		43	43	87	(44)	-51%		
1.4 - EDA			-		-	-	-	-			
1.5 - RAMMS			1 948		-	-	162	(162)	-100%		
<b>Vote 2 - BUDGET AND TREASURY</b>		-	13 449	-	309	309	1 121	(812)	-72%	-	
2.1 - FINANCIAL SERVICES			12 779		292	292	1 065	(773)	-73%		
2.2 - DISTRICT COUNCIL LEVIES			-		-	-	-	-			
2.3 - FINANCE MANAGEMENT GRANT			670		17	17	56	(39)	-69%		
<b>Vote 3 - CORPORATE SERVICES</b>		-	23 151	-	1 550	1 550	1 929	(379)	-20%	-	
3.1 - CORPORATE SERVICES			10 785		945	945	899	47	5%		
3.2 - TOURISM			40		-	-	3	(3)	-100%		
3.3 - STRATEGIC PLANNING			5 479		198	198	457	(258)	-57%		
3.4 - ENVIRONMENTAL HEALTH			5 060		306	306	422	(116)	-27%		
3.5 - CIVIL DEFENCE			1 787		100	100	149	(48)	-33%		
3.6 - LED			-		-	-	-	-			
3.7 - WORK FOR WATER			-		-	-	-	-			
3.8 - IDP			-		-	-	-	-			
3.9 - HUMAN RESOURCES			-		-	-	-	-			
<b>Vote 4 - TECHNICAL SERVICES</b>		-	51 395	-	4 024	4 024	4 283	(259)	-6%	-	
4.1 - ROADS			51 395		4 024	4 024	4 283	(259)	-6%		
4.2 - TRANSPORT FUND			-		-	-	-	-			
<b>Total Expenditure by Vote</b>	2	-	100 232	-	6 357	6 357	8 353	(1 995)	(0)	-	
<b>Surplus/ (Deficit) for the year</b>	2	-	783	-	8 508	8 508	65	8 442	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) - M01 July

Description	Ref	2019/20	Budget Year 2020/21									
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast		
<b>R thousands</b>												
<b>Revenue By Source</b>												
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		7	7	8	(1)	-12%			
Interest earned - external investments			1 100		65	65	92	(27)	-29%			
Interest earned - outstanding debtors			-		-	-	-	-				
Dividends received			-		-	-	-	-				
Fines, penalties and forfeits			-		-	-	-	-				
Licences and permits			-		-	-	-	-				
Agency services			4 793		394	394	399	(5)	-1%			
Transfers and subsidies			43 225		14 384	14 384	3 602	10 782	299%			
Other revenue			51 797		14	14	4 316	(4 302)	-100%			
Gains on disposal of PPE			-		-	-	-	-				
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>-</b>		<b>101 015</b>	<b>-</b>	<b>14 865</b>	<b>14 865</b>	<b>8 418</b>	<b>6 447</b>	<b>77%</b>	<b>-</b>
<b>Expenditure By Type</b>												
Employee related costs			52 928		3 556	3 556	4 411	(854)	-19%			
Remuneration of councillors			4 941		333	333	412	(79)	-19%			
Debt impairment			-		-	-	-	-				
Depreciation & asset impairment			651		-	-	54	(54)	-100%			
Finance charges			-		-	-	-	-				
Bulk purchases			-		-	-	-	-				
Other materials			76		4	4	6	(2)	-32%			
Contracted services			395		3	3	33	(30)	-90%			
Transfers and subsidies			-		-	-	-	-				
Other expenditure			41 242		2 461	2 461	3 437	(976)	-28%			
Loss on disposal of PPE			-		-	-	-	-				
<b>Total Expenditure</b>			<b>-</b>		<b>100 232</b>	<b>-</b>	<b>6 357</b>	<b>6 357</b>	<b>8 353</b>	<b>(1 995)</b>	<b>-24%</b>	<b>-</b>
<b>Surplus/(Deficit)</b>												
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			-		783	-	8 508	8 508	65	8 442	0	-
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)												
Transfers and subsidies - capital (in-kind - all)												
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>-</b>		<b>783</b>	<b>-</b>	<b>8 508</b>	<b>8 508</b>	<b>65</b>			<b>-</b>
Taxation												
<b>Surplus/(Deficit) after taxation</b>			<b>-</b>		<b>783</b>	<b>-</b>	<b>8 508</b>	<b>8 508</b>	<b>65</b>			<b>-</b>
Attributable to minorities												
<b>Surplus/(Deficit) attributable to municipality</b>			<b>-</b>		<b>783</b>	<b>-</b>	<b>8 508</b>	<b>8 508</b>	<b>65</b>			<b>-</b>
Share of surplus/ (deficit) of associate												
<b>Surplus/ (Deficit) for the year</b>			<b>-</b>		<b>783</b>	<b>-</b>	<b>8 508</b>	<b>8 508</b>	<b>65</b>			<b>-</b>

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) - M01 July

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	81	-	-	-	7	(7)	-100%	-
Vote 2 - BUDGET AND TREASURY		-	60	-	-	-	5	(5)	-100%	-
Vote 3 - CORPORATE SERVICES		-	287	-	-	-	24	(24)	-100%	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	-	428	-	-	-	36	(36)	-100%	-
<b>Total Capital Expenditure</b>		-	428	-	-	-	36	(36)	-100%	-
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	302	-	-	-	25	(25)	-100%	-
Executive and council		-	81	-	-	-	7	(7)	-100%	-
Finance and administration		-	221	-	-	-	18	(18)	-100%	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	53	-	-	-	4	(4)	-100%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	53	-	-	-	4	(4)	-100%	-
<b>Economic and environmental services</b>		-	74	-	-	-	6	(6)	-100%	-
Planning and development		-	74	-	-	-	6	(6)	-100%	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	-	428	-	-	-	36	(36)	-100%	-
<b>Funded by:</b>										
National Government		-	370	-	-	-	31	(31)	-100%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		-	370	-	-	-	31	(31)	-100%	-
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		-	58	-	-	-	5	(5)	-100%	-
<b>Total Capital Funding</b>		-	428	-	-	-	36	(36)	-100%	-

2.4.1.6 Table C6: Monthly Budget Statement – Financial Position:

**DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - M01 July**

Description	Ref	2019/20	Budget Year 2020/21				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
<b>R thousands</b>	1						
<b>ASSETS</b>							
<b>Current assets</b>							
Cash			5 585		12 032	5 585	
Call investment deposits			–		12 655	–	
Consumer debtors			2 292		–	2 292	
Other debtors			2 292		(165)	2 292	
Current portion of long-term receivables			–		–	–	
Inventory			–		1 148	–	
<b>Total current assets</b>			<b>–</b>	<b>10 169</b>	<b>–</b>	<b>25 670</b>	<b>10 169</b>
<b>Non current assets</b>							
Long-term receivables			10 551		9 401	10 551	
Investments			–		–	–	
Investment property			–		–	–	
Investments in Associate			–		–	–	
Property, plant and equipment			10 123		8 479	10 123	
Agricultural			–		–	–	
Biological			–		–	–	
Intangible			93		112	93	
Other non-current assets			–		–	–	
<b>Total non current assets</b>			<b>–</b>	<b>20 767</b>	<b>–</b>	<b>17 992</b>	<b>20 767</b>
<b>TOTAL ASSETS</b>			<b>–</b>	<b>30 937</b>	<b>–</b>	<b>43 662</b>	<b>30 937</b>
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft			–		–	–	
Borrowing			39		21	39	
Consumer deposits			–		–	–	
Trade and other payables			8 220		5 886	8 220	
Provisions			–		4 938	–	
<b>Total current liabilities</b>			<b>–</b>	<b>8 259</b>	<b>–</b>	<b>10 844</b>	<b>8 259</b>
<b>Non current liabilities</b>							
Borrowing			54		–	54	
Provisions			18 955		15 254	18 955	
<b>Total non current liabilities</b>			<b>–</b>	<b>19 009</b>	<b>–</b>	<b>15 254</b>	<b>19 009</b>
<b>TOTAL LIABILITIES</b>			<b>–</b>	<b>27 267</b>	<b>–</b>	<b>26 098</b>	<b>27 267</b>
<b>NET ASSETS</b>	2		<b>–</b>	<b>3 669</b>	<b>–</b>	<b>17 564</b>	<b>3 669</b>
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)			3 669		17 564	3 669	
Reserves			–		–	–	
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2		<b>–</b>	<b>3 669</b>	<b>–</b>	<b>17 564</b>	<b>3 669</b>

2.4.1.7 Table C7: Monthly Budget Statement – Cash Flow:

DC5 Central Karoo - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	Budget Year 2020/21									
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>	1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			-					-			
Service charges			-					-			
Other revenue			56 650		416	416	4 721	(4 305)	-91%		
Government - operating			43 265		14 384	14 384	3 605	10 779	299%		
Government - capital			-		-	-	-	-			
Interest			1 100		65	65	92	(27)	-29%		
Dividends			-		-	-	-	-			
<b>Payments</b>											
Suppliers and employees			(99 581)		(5 563)	(5 563)	(8 298)	(2 735)	33%		
Finance charges			-		-	-	-	-			
Transfers and Grants			-		-	-	-	-			
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			-	1 434	-	9 302	9 302	119	(9 182)	-7686%	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE			-					-			
Decrease (Increase) in non-current debtors			-					-			
Decrease (increase) other non-current receivables			531		-	-	44	(44)	-100%		
Decrease (increase) in non-current investments			-					-			
<b>Payments</b>											
Capital assets			(428)		-	-	-	-			
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			-	103	-	-	-	44	44	100%	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans			-					-			
Borrowing long term/refinancing			(36)				(3)	3	-100%		
Increase (decrease) in consumer deposits			-					-			
<b>Payments</b>											
Repayment of borrowing			-					-			
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			-	(36)	-	-	-	(3)	(3)	100%	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			-	1 500	-	9 302	9 302	161			-
Cash/cash equivalents at beginning:			4 085				15 386	4 085			15 386
Cash/cash equivalents at month/year end:			-	5 585	-		24 687	4 245			15 386

### 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 - M01 July

Description	NT Code	Budget Year 2020/21									Total	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					
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
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	(19)	12	2	11	143	1 018	-	(1)	1 166	1 171			
<b>Total By Income Source</b>	<b>2000</b>	<b>(19)</b>	<b>12</b>	<b>2</b>	<b>11</b>	<b>143</b>	<b>1 018</b>	<b>-</b>	<b>(1)</b>	<b>1 166</b>	<b>1 171</b>	<b>-</b>	<b>-</b>	
<b>2019/20 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200													
Commercial	2300													
Households	2400													
Other	2500	(19)	12	2	11	143	1 018	-	(1)	1 166	1 171			
<b>Total By Customer Group</b>	<b>2600</b>	<b>(19)</b>	<b>12</b>	<b>2</b>	<b>11</b>	<b>143</b>	<b>1 018</b>	<b>-</b>	<b>(1)</b>	<b>1 166</b>	<b>1 171</b>	<b>-</b>	<b>-</b>	

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 - M01 July

Description	NT Code	Budget Year 2020/21									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			
<b>R thousands</b>												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100											
Bulk Water	0200											
PAYE deductions	0300											
VAT (output less input)	0400											
Pensions / Retirement deductions	0500											
Loan repayments	0600											
Trade Creditors	0700	564	-	-	(19)	-	-	-	-	-	545	
Auditor General	0800											
Other	0900											
<b>Total By Customer Type</b>	<b>1000</b>	<b>564</b>	<b>-</b>	<b>-</b>	<b>(19)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>545</b>	<b>-</b>

## 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 - M01 July

Description	Ref	2019/20	Budget Year		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget						
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	36 475	-	14 384	14 384	3 040	11 558	380,2%	-
Rural Roads Asset Management System			1 948		-	-	162	(162)	-100,0%	
Local government Financial Management Grant			1 000		-	-	83			
Expanded Public Works Programme			1 262		-	-	105			
Municipal Systems Improvement			300		-	-	25			
Local Government Equitable Share			31 965		14 384	14 384	2 664	11 720	440,0%	
<b>Provincial Government:</b>		-	2 750	-	-	-	229	(33)	-14,5%	-
Western Cape Financial Management Support Grant			400		-	-	33	(33)	-100,0%	
Western Cape Financial Management Capacity Building Grant					-	-				
Safety Initiation Implementation - WOSA			2 100		-	-	175			
Disaster Management					-	-				
LG Graduate Internship Grant					-	-				
Municipal Drought Support			250		-	-	21			
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Other grant providers:</b>		-	4 240	-	-	-	353	(353)	-100,0%	-
1% AUDIT FEE FROM NATIONAL TREASURY			3 200		-	-	267	(267)	-100,0%	
LGSETA					-	-				
LGSETA MANDATORY GRANT			40		-	-	3			
CHIETA			1 000		-	-	83			
<b>Total Operating Transfers and Grants</b>	5	-	43 465	-	14 384	14 384	3 622	11 171	308,4%	-
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	-	-	-	-	-	-
Other capital transfers <i>[insert description]</i>										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Fire department capacity building					-	-	-	-		
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Total Capital Transfers and Grants</b>	5	-	-	-	-	-	-	-	-	-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	43 465	-	14 384	14 384	3 622	11 171	308,4%	-

3.2.2 Supporting Table SC7(1) – Grant Expenditure:

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		-	36 475	-	2 685	2 685	3 040	(355)	-11,7%	-
Rural Roads Asset Management System			1 948		-	-	162	(162)	-100,0%	
Local government Financial Management Grant			1 000		17	17	83	(66)	-79,4%	
Expanded Public Works Programme			1 262		4	4	105	(101)	-96,3%	
Municipal Systems Improvement			300		-	-	25	(25)	-100,0%	
Local Government Equitable Share			31 965		2 664	2 664	2 664	-		
<b>Provincial Government:</b>		-	2 750	-	9	9	229	(33)	-14,5%	-
Western Cape Financial Management Support Grant			400		-	-	33	(33)	-100,0%	
Western Cape Financial Management Capacity Building Grant							-	-		
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]										
<b>Other grant providers:</b>		-	4 240	-	146	146	353	(208)	-58,8%	-
1% AUDIT FEE FROM NATIONAL TREASURY			3 200				267	(267)	-100,0%	
LGSETA							-			
LGSETA MANDATORY GRANT			40				3			
CHIETA			1 000		146	146	83	62	74,7%	
<b>Total operating expenditure of Transfers and Grants:</b>		-	43 465	-	2 840	2 840	3 622	(596)	-16,5%	-
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	-	-	-	-		-
Other capital transfers [insert description]										
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
Fire department capacity building										
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
<b>Total capital expenditure of Transfers and Grants</b>		-	-	-	-	-	-	-		-
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	43 465	-	2 840	2 840	3 622	(596)	-16,5%	-

3. **SECTION 7 – CAPITAL PROGRAMME PERFORMANCE:**

3

3.3. Supporting Table C12:

1

Supporting Table C12 reconciled with Table C5.

DC5 Central Karoo - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M01 July

Month	2019/20	Budget Year 2020/21					
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance
R thousands							
<b>Monthly expenditure performance trend</b>							
July		-		-		-	-
August		36		-		36	-
September		-		-		36	-
October		71		-		107	-
November		-		-		107	-
December		35		-		142	-
January		-		-		142	-
February		143		-		285	-
March		23		-		308	-
April		75		-		383	-
May		-		-		383	-
June		45		-		428	-
<b>Total Capital expenditure</b>	-	<b>428</b>	-	-			

**QUALITY CERTIFICATE**

I, J Jonkers, the Acting 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 July for 2020/2021 financial year, has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print Name : J Jonkers

Acting Municipal Manager

Signature



Date: 17 August 2020