

# 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 AUGUST 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 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.

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**Executive Mayor**

## **2.2      SECTION 2 – RESOLUTIONS:**

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

### ***RESOLVED:***

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

## 2.3 **SECTION 3 – EXECUTIVE SUMMARY:**

### 2.3.1 **Introduction:**

All the schedules reflect the following information:

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

### 2.3.2 **Financial Performance, Position and Cash Flow:**

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

#### 2.3.2.1 **Financial Performance:**

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

##### 2.3.2.1.1 **Overall View:**

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

	<b>Capital Expenditure</b>	<b>Operating Expenditure</b>	<b>Operating Revenue</b>
Original Budget	743 800,00	96 254 785,45	97 236 676,00
Actual spend / received (YTD)	4 320,74	13 271 166,58	27 301 053,84
<b>Percentage Spend (YTD)</b>	<b>1%</b>	<b>14%</b>	<b>28%</b>

The table reflects spending of the capital budget as percentage spent of 1%. The total operating expenditure and



revenue reflects percentage spent of 14% and 28% 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 August 2019 is R 27.301 million. Refer to figure 1 for more detail.

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

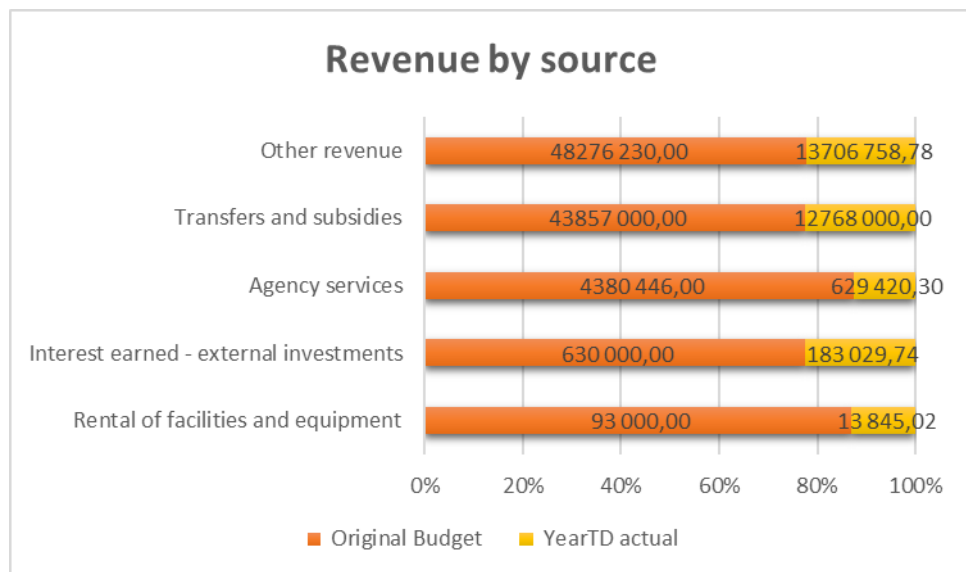


Figure 1 – Revenue by source

- **Other Revenue:**

The amount raised as reflected for the actual year to date represents 28% of the budget amount. The budgeted amount received (Year-to-date) amounts to R 8.046 million.

- **Interest Earned – External Investments:**

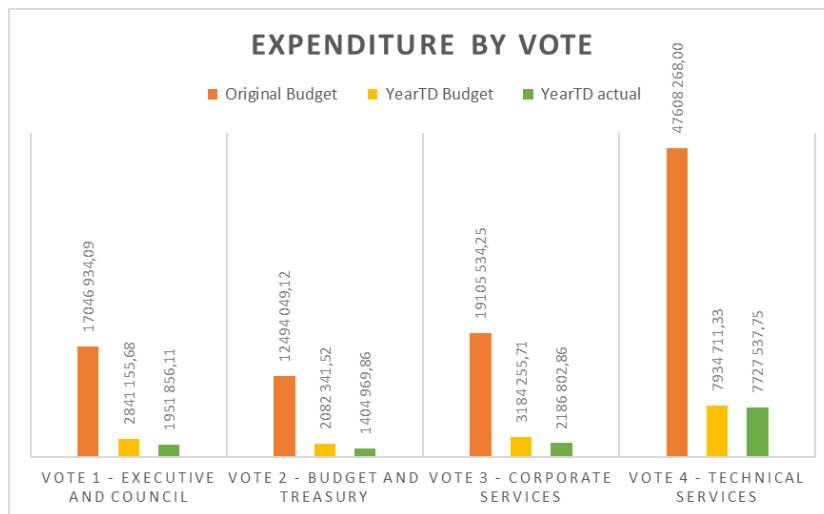
The budget amount for Interest earned R 630 000, whilst the year to date actual revenue is R 183 029. Thus, reflecting receipt of 29% at the end of the month.

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 13.271 million and the year to date budget is R 16.042 million which represents a **variance of 17%** 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	17 046 934,09	2 841 155,68	1 951 856,11	11%
Vote 2 - BUDGET AND TREASURY	12 494 049,12	2 082 341,52	1 404 969,86	11%
Vote 3 - CORPORATE SERVICES	19 105 534,25	3 184 255,71	2 186 802,86	11%
Vote 4 - TECHNICAL SERVICES	47 608 268,00	7 934 711,33	7 727 537,75	16%
<b>Total Expenditure by Vote</b>	<b>96 254 785,45</b>	<b>16 042 464,24</b>	<b>13 271 166,58</b>	<b>14%</b>

The original budget for Technical Service is R 47.608 million of which R 7.728 million has been expended representing 16% of the budget amount.

The original budget for Corporate Services is R 19.106 million of which R 2.187 million has been expended representing 11% of the budget amount.

The original budget for Budget and Treasury is R 12.494 million of which R 1.404 million has been expended representing 11% of the budget amount.

The original budget for Executive and Council is R 17.047 million of which R 1.952 million has been expended representing 11% of the budget amount.

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

There was no capital spending for the month of August 2019. The total capital budget amount is R 743 800, thus reflecting total spending of 1% at the end of August 2019.

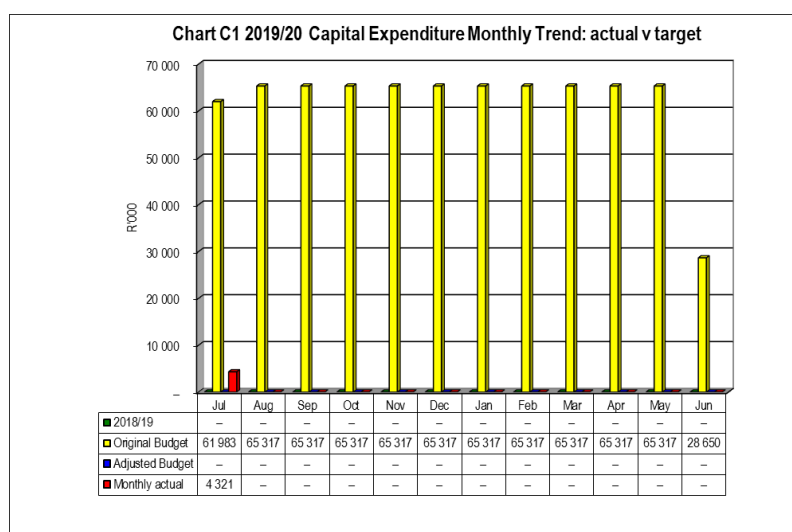


Figure 3 – Breakdown Capital Expenditure by month

### **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 15.163 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 - M02 August

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	630	-	106	183	105	78	74%	-
Transfers and subsidies	-	43 857	-	-	12 768	7 310	5 459	75%	-
Other own revenue	-	52 750	-	9 963	14 350	8 792	5 558	63%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>97 237</b>	-	<b>10 069</b>	<b>27 301</b>	<b>16 206</b>	<b>11 095</b>	<b>68%</b>	-
Employee costs	-	51 840	-	3 547	7 352	8 640	(1 288)	-15%	-
Remuneration of Councillors	-	3 796	-	363	692	633	59	9%	-
Depreciation & asset impairment	-	283	-	-	-	47	(47)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	11 502	-	12	12	1 917	(1 905)	-99%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	28 834	-	2 575	5 215	4 806	410	9%	-
<b>Total Expenditure</b>	-	<b>96 255</b>	-	<b>6 498</b>	<b>13 271</b>	<b>16 042</b>	<b>(2 771)</b>	<b>-17%</b>	-
<b>Surplus/(Deficit)</b>	-	<b>982</b>	-	<b>3 571</b>	<b>14 030</b>	<b>164</b>	<b>13 866</b>	<b>8473%</b>	-
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>982</b>	-	<b>3 571</b>	<b>14 030</b>	<b>164</b>	<b>13 866</b>	<b>8473%</b>	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>982</b>	-	<b>3 571</b>	<b>14 030</b>	<b>164</b>	<b>13 866</b>	<b>8473%</b>	-
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	-	744	1 047	-	4	124	(120)	-97%	-
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	744	-	4	4	124	(120)	-97%	-
<b>Total sources of capital funds</b>	-	<b>744</b>	-	<b>4</b>	<b>4</b>	<b>124</b>	<b>(120)</b>	<b>-97%</b>	-
<b>Financial position</b>									
Total current assets	-	9 443	-	-	31 803	-	-	-	9 443
Total non current assets	-	19 261	-	-	17 992	-	-	-	19 261
Total current liabilities	-	8 218	-	-	14 149	-	-	-	8 218
Total non current liabilities	-	18 091	-	-	15 274	-	-	-	18 091
Community wealth/Equity	-	2 396	-	-	20 372	-	-	-	2 396
<b>Cash flows</b>									
Net cash from (used) operating	-	1 330	-	3 571	9 112	222	(8 890)	-4010%	-
Net cash from (used) investing	-	(784)	-	(1 044)	(1 048)	(131)	917	-702%	-
Net cash from (used) financing	-	(11)	-	-	-	(2)	(2)	100%	-
<b>Cash/cash equivalents at the month/year end</b>	-	<b>4 140</b>	-	-	<b>15 163</b>	<b>3 694</b>	<b>(11 469)</b>	<b>-310%</b>	<b>7 099</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	469	69	45	66	3	589	-	-	1 241
<b>Creditors Age Analysis</b>									
Total Creditors	1 022	1 109	9	8	715	888	-	-	3 753

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) - M02 August

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
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		-	47 086	-	431	13 601	7 848	5 754	73%	-
Executive and council		-	37 969	-	315	629	6 328	(5 699)	-90%	-
Finance and administration		-	9 117	-	116	12 972	1 519	11 453	754%	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	45	-	13	21	7	13	179%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	45	-	13	21	7	13	179%	-
<b>Economic and environmental services</b>		-	50 106	-	9 626	13 679	8 351	5 328	64%	-
Planning and development		-	2 331	-	-	-	389	(389)	-100%	-
Road transport		-	47 775	-	9 626	13 679	7 963	5 716	72%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	97 237	-	10 069	27 301	16 206	11 095	68%	-
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		-	33 790	-	2 122	4 049	5 632	(1 583)	-28%	-
Executive and council		-	8 473	-	715	1 354	1 412	(58)	-4%	-
Finance and administration		-	24 955	-	1 400	2 683	4 159	(1 476)	-35%	-
Internal audit		-	363	-	7	12	60	(48)	-80%	-
<b>Community and public safety</b>		-	6 451	-	449	909	1 075	(166)	-15%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1 886	-	117	250	314	(64)	-20%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	4 565	-	332	659	761	(102)	-13%	-
<b>Economic and environmental services</b>		-	55 823	-	3 926	8 313	9 304	(991)	-11%	-
Planning and development		-	6 432	-	402	586	1 072	(486)	-45%	-
Road transport		-	49 391	-	3 524	7 728	8 232	(504)	-6%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	190	-	-	-	32	(32)	-100%	-
<b>Total Expenditure - Functional</b>	3	-	96 255	-	6 498	13 271	16 042	(2 771)	-17%	-
<b>Surplus/ (Deficit) for the year</b>		-	982	-	3 571	14 030	164	13 866	8473%	-

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) - M02 August

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
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	40 300	-	315	629	6 717	(6 087)	-90,6%	-
Vote 2 - BUDGET AND TREASURY		-	4 398	-	116	12 972	733	12 239	1669,7%	-
Vote 3 - CORPORATE SERVICES		-	4 763	-	13	21	794	(773)	-97,4%	-
Vote 4 - TECHNICAL SERVICES		-	47 775	-	9 626	13 679	7 963	5 716	71,8%	-
<b>Total Revenue by Vote</b>	2	-	<b>97 237</b>	-	<b>10 069</b>	<b>27 301</b>	<b>16 206</b>	<b>11 095</b>	<b>68,5%</b>	-
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	17 047	-	1 124	1 952	2 841	(889)	-31,3%	-
Vote 2 - BUDGET AND TREASURY		-	12 494	-	886	1 405	2 082	(677)	-32,5%	-
Vote 3 - CORPORATE SERVICES		-	19 106	-	963	2 187	3 184	(997)	-31,3%	-
Vote 4 - TECHNICAL SERVICES		-	47 608	-	3 524	7 728	7 935	(207)	-2,6%	-
<b>Total Expenditure by Vote</b>	2	-	<b>96 255</b>	-	<b>6 498</b>	<b>13 271</b>	<b>16 042</b>	<b>(2 771)</b>	<b>-17,3%</b>	-
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>982</b>	-	<b>3 571</b>	<b>14 030</b>	<b>164</b>	<b>13 866</b>	<b>8473,2%</b>	-

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

**DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M02 August**

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
<b>Revenue by Vote</b>										
<b>Vote 1 - EXECUTIVE AND COUNCIL</b>	1	-	40 300	-	315	629	6 717	(6 087)	-91%	-
1.1 - MUNICIPAL MANAGER			8 558		315	629	1 426	(797)	-56%	
1.2 - COUNCIL GENERAL EXPENSES			30 642		-	-	5 107	(5 107)	-100%	
1.3 - INTERNAL AUDIT			-		-	-	-	-		
1.4 - IDP			-		-	-	-	-		
1.5 - EDA			-		-	-	-	-		
1.6 - LED			-		-	-	-	-		
1.7 - STRATEGIC PLANNING			1 100		-	-	183	(183)	-100%	
<b>Vote 2 - BUDGET AND TREASURY</b>		-	4 398	-	116	12 972	733	12 239	1670%	-
2.1 - FINANCIAL SERVICES			3 398		116	12 972	566	12 406	2191%	
2.2 - DISTRICT COUNCIL LEVIES			-		-	-	-	-		
2.3 - FINANCE MANAGEMENT GRANT			1 000		-	-	167	(167)	-100%	
<b>Vote 3 - CORPORATE SERVICES</b>		-	4 763	-	13	21	794	(773)	-97%	-
3.1 - CORPORATE SERVICES			4 719		0	0	786	(786)	-100%	
3.2 - TOURISM			-		-	-	-	-		
3.3 - PMU			-		-	-	-	-		
3.4 - ENVIRONMENTAL HEALTH			45		13	21	7	13	179%	
3.5 - CIVIL DEFENCE			-		-	-	-	-		
3.6 - GRANTS AND SUBSIDIES			-		-	-	-	-		
3.7 - WORK FOR WATER			-		-	-	-	-		
3.8 - NUTRITION SCHEME			-		-	-	-	-		
<b>Vote 4 - TECHNICAL SERVICES</b>		-	47 775	-	9 626	13 679	7 963	5 716	72%	-
4.1 - ROADS			47 775		9 626	13 679	7 963	5 716	72%	
4.2 - TRANSPORT FUND			-		-	-	-	-		
<b>Total Revenue by Vote</b>	2	-	97 237	-	10 069	27 301	16 206	11 095	68%	-
<b>Expenditure by Vote</b>										
<b>Vote 1 - EXECUTIVE AND COUNCIL</b>	1	-	17 047	-	1 124	1 952	2 841	(889)	-31%	-
1.1 - MUNICIPAL MANAGER			6 226		275	514	1 038	(524)	-51%	
1.2 - COUNCIL GENERAL EXPENSES			4 894		412	783	816	(32)	-4%	
1.3 - INTERNAL AUDIT			717		35	69	120	(51)	-42%	
1.4 - IDP			-		-	-	-	-		
1.5 - EDA			-		-	-	-	-		
1.6 - LED			-		-	-	-	-		
1.7 - STRATEGIC PLANNING			5 209		402	586	868	(282)	-33%	
<b>Vote 2 - BUDGET AND TREASURY</b>		-	12 494	-	886	1 405	2 082	(677)	-33%	-
2.1 - FINANCIAL SERVICES			11 864		837	1 327	1 977	(650)	-33%	
2.2 - DISTRICT COUNCIL LEVIES			-		-	-	-	-		
2.3 - FINANCE MANAGEMENT GRANT			630		50	78	105	(27)	-26%	
<b>Vote 3 - CORPORATE SERVICES</b>		-	19 106	-	963	2 187	3 184	(997)	-31%	-
3.1 - CORPORATE SERVICES			12 359		513	1 278	2 060	(782)	-38%	
3.2 - TOURISM			190		-	-	32	(32)	-100%	
3.3 - PMU			-		-	-	-	-		
3.4 - ENVIRONMENTAL HEALTH			4 570		332	659	762	(103)	-13%	
3.5 - CIVIL DEFENCE			1 886		117	250	314	(64)	-20%	
3.6 - GRANTS AND SUBSIDIES			-		-	-	-	-		
3.7 - WORK FOR WATER			100		-	-	17	(17)	-100%	
3.8 - NUTRITION SCHEME			-		-	-	-	-		
<b>Vote 4 - TECHNICAL SERVICES</b>		-	47 608	-	3 524	7 728	7 935	(207)	-3%	-
4.1 - ROADS			47 608		3 524	7 728	7 935	(207)	-3%	
4.2 - TRANSPORT FUND			-		-	-	-	-		
<b>Total Expenditure by Vote</b>	2	-	96 255	-	6 498	13 271	16 042	(2 771)	(0)	-
<b>Surplus/ (Deficit) for the year</b>	2	-	982	-	3 571	14 030	164	13 866	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) - M02 August

Description	Ref	2018/19		Budget Year 2019/20					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<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			93		7	14	16	(2)	-11%
Interest earned - external investments			630		106	183	105	78	74%
Interest earned - outstanding debtors			-		-	-	-	-	
Dividends received			-		-	-	-	-	
Fines, penalties and forfeits			-		-	-	-	-	
Licences and permits			-		-	-	-	-	
Agency services			4 380		315	629	730	(101)	-14%
Transfers and subsidies			43 857		-	12 768	7 310	5 459	75%
Other revenue			48 276		9 641	13 707	8 046	5 661	70%
Gains on disposal of PPE			-		-	-	-	-	
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>97 237</b>		<b>10 069</b>	<b>27 301</b>	<b>16 206</b>	<b>11 095</b>	<b>68%</b>
<b>Expenditure By Type</b>									
Employee related costs			51 840		3 547	7 352	8 640	(1 288)	-15%
Remuneration of councillors			3 796		363	692	633	59	9%
Debt impairment			-		-	-	-	-	
Depreciation & asset impairment			283		-	-	47	(47)	-100%
Finance charges			-		-	-	-	-	
Bulk purchases			-		-	-	-	-	
Other materials			11 502		12	12	1 917	(1 905)	-99%
Contracted services			16 979		18	60	2 830	(2 770)	-98%
Transfers and subsidies			-		-	-	-	-	
Other expenditure			11 855		2 557	5 155	1 976	3 179	161%
Loss on disposal of PPE			-		-	-	-	-	
<b>Total Expenditure</b>			<b>96 255</b>		<b>6 498</b>	<b>13 271</b>	<b>16 042</b>	<b>(2 771)</b>	<b>-17%</b>
<b>Surplus/(Deficit)</b>			<b>982</b>		<b>3 571</b>	<b>14 030</b>	<b>164</b>	<b>13 866</b>	<b>0</b>
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)									
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>982</b>		<b>3 571</b>	<b>14 030</b>	<b>164</b>		
Taxation									
<b>Surplus/(Deficit) after taxation</b>			<b>982</b>		<b>3 571</b>	<b>14 030</b>	<b>164</b>		
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>			<b>982</b>		<b>3 571</b>	<b>14 030</b>	<b>164</b>		
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>			<b>982</b>		<b>3 571</b>	<b>14 030</b>	<b>164</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) - M02 August										
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
<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		-	132	98	-	-	22	(22)	-100%	-
Vote 2 - BUDGET AND TREASURY		-	60	140	-	-	10	(10)	-100%	-
Vote 3 - CORPORATE SERVICES		-	552	709	-	4	92	(88)	-95%	-
Vote 4 - TECHNICAL SERVICES		-	-	100	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	-	744	1 047	-	4	124	(120)	-97%	-
<b>Total Capital Expenditure</b>		-	744	1 047	-	4	124	(120)	-97%	-
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	195	-	-	2	32	(31)	-94%	-
Executive and council		-	31	-	-	-	5	(5)	-100%	-
Finance and administration		-	164	-	-	2	27	(25)	-93%	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	449	-	-	3	75	(72)	-97%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	406	-	-	-	68	(68)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	43	-	-	3	7	(5)	-65%	-
<b>Economic and environmental services</b>		-	101	-	-	-	17	(17)	-100%	-
Planning and development		-	101	-	-	-	17	(17)	-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	-	744	-	-	4	124	(120)	-97%	-
<b>Funded by:</b>										
National Government		-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		-	-	-	-	-	-	-	-	-
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		-	744	-	-	4	124	(120)	-97%	-
<b>Total Capital Funding</b>		-	744	-	-	4	124	(120)	-97%	-

2.4.1.6 Table C6: Monthly Budget Statement – Financial Position:

DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2018/19	Budget Year 2019/20				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
<b>R thousands</b>	1						
<b>ASSETS</b>							
<b>Current assets</b>							
Cash			4 140		15 157	4 140	
Call investment deposits			–		8 500	–	
Consumer debtors			3 275		–	3 275	
Other debtors			1 315		7 025	1 315	
Current portion of long-term receivables			–		–	–	
Inventory			713		1 120	713	
<b>Total current assets</b>			<b>–</b>	<b>9 443</b>	<b>–</b>	<b>31 803</b>	<b>9 443</b>
<b>Non current assets</b>							
Long-term receivables			–		–	–	
Investments			10 020		9 401	10 020	
Investment property			–		–	–	
Investments in Associate			–		–	–	
Property, plant and equipment			9 149		8 480	9 149	
Agricultural			–		–	–	
Biological			–		–	–	
Intangible			93		111	93	
Other non-current assets			–		–	–	
<b>Total non current assets</b>			<b>–</b>	<b>19 261</b>	<b>–</b>	<b>17 992</b>	<b>19 261</b>
<b>TOTAL ASSETS</b>			<b>–</b>	<b>28 704</b>	<b>–</b>	<b>49 794</b>	<b>28 704</b>
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft			–		–	–	
Borrowing			39		70	39	
Consumer deposits			–		–	–	
Trade and other payables			8 179		9 503	8 179	
Provisions			–		4 576	–	
<b>Total current liabilities</b>			<b>–</b>	<b>8 218</b>	<b>–</b>	<b>14 149</b>	<b>8 218</b>
<b>Non current liabilities</b>							
Borrowing			90		21	90	
Provisions			18 001		15 254	18 001	
<b>Total non current liabilities</b>			<b>–</b>	<b>18 091</b>	<b>–</b>	<b>15 274</b>	<b>18 091</b>
<b>TOTAL LIABILITIES</b>			<b>–</b>	<b>26 309</b>	<b>–</b>	<b>29 423</b>	<b>26 309</b>
<b>NET ASSETS</b>	2		<b>–</b>	<b>2 396</b>	<b>–</b>	<b>20 372</b>	<b>2 396</b>
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)			2 396		20 372	2 396	
Reserves			–		–	–	
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2		<b>–</b>	<b>2 396</b>	<b>–</b>	<b>20 372</b>	<b>2 396</b>

2.4.1.7 Table C7: Monthly Budget Statement – Cash Flow:

DC5 Central Karoo - Table C7 Monthly Budget Statement - Cash Flow - M02 August

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	
<b>R thousands</b>	1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			-					-			
Service charges			-					-			
Other revenue			52 790		9 963	14 350	8 798	5 552	63%		
Government - operating			43 717		-	12 768	7 286	5 482	75%		
Government - capital			-		-	-	-	-			
Interest			600		106	212	100	112	112%		
Dividends			-		-	-	-	-			
<b>Payments</b>											
Suppliers and employees			(95 776)		(6 498)	(18 218)	(15 963)	2 255	-14%		
Finance charges			-		-	-	-	-			
Transfers and Grants			-		-	-	-	-			
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			-	1 330	-	3 571	9 112	222	(8 890)	-4010%	-
<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			-		(1 044)	(1 044)		(1 044)	#DIV/0!		
Decrease (increase) in non-current investments			-					-			
<b>Payments</b>											
Capital assets			(784)		-	(4)	(131)	(126)	97%		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			-	(784)	-	(1 044)	(1 048)	(131)	917	-702%	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans			-					-			
Borrowing long term/refinancing			-					-			
Increase (decrease) in consumer deposits			-					-			
<b>Payments</b>											
Repayment of borrowing			(11)				(2)	(2)	100%		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			-	(11)	-	-	-	(2)	(2)	100%	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			-	535	-	2 528	8 064	89			-
Cash/cash equivalents at beginning:			3 605				7 099	3 605			7 099
Cash/cash equivalents at monthly year end:			4 140				15 163	3 694			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 - M02 August

Description	NT Code	Budget Year 2019/20									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo 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				
<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	469	69	45	66	3	589	-	-	1 241	658			
<b>Total By Income Source</b>	<b>2000</b>	<b>469</b>	<b>69</b>	<b>45</b>	<b>66</b>	<b>3</b>	<b>589</b>	<b>-</b>	<b>-</b>	<b>1 241</b>	<b>658</b>	<b>-</b>	<b>-</b>	
<b>2018/19 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200										-	-		
Commercial	2300										-	-		
Households	2400										-	-		
Other	2500	469	69	45	66	3	589	-	-	1 241	658			
<b>Total By Customer Group</b>	<b>2600</b>	<b>469</b>	<b>69</b>	<b>45</b>	<b>66</b>	<b>3</b>	<b>589</b>	<b>-</b>	<b>-</b>	<b>1 241</b>	<b>658</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 - M02 August

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	Total		
<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	623	1 101	2	-	701	-				2 427	
Auditor General	0800	399	8	8	8	15	888				1 326	
Other	0900										-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>1 022</b>	<b>1 109</b>	<b>9</b>	<b>8</b>	<b>715</b>	<b>888</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 753</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 - M02 August

Description	Ref	2018/19	Budget Year			YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual					
<b>R thousands</b>										
<b>RECEIPTS:</b>	1.2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	34 908	-	2 734	15 502	5 818	8 748	150,4%	-
Local Government Equitable Share			30 642		-	12 768	5 107	7 661	150,0%	
FMG - Internship Training			1 000		1 000	1 000	167			
EPWP Incentive			1 231		308	308	205			
Rural Asset Management Grant			2 035		1 426	1 426	339	1 087	320,4%	
<b>Provincial Government:</b>		-	1 759	-	-	-	293	(183)	-62,5%	-
WK FMG KAPASITEIT AFS										
Disaster Management										
WP Financial Management Support Grant			280				47			
WC - FMG CAPACITY			379				63			
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				183	(183)	-100,0%	
LG GEGRADUEERDE INTERNSKAP	4									
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Other grant providers:</b>		-	7 190	-	-	439	1 198	(759)	-63,3%	-
CHIETA			1 300			439	217	223	102,8%	
LGSETA			2 850				475			
LGSETA MANDATORY GRANT			40				7			
Audit fee			3 000				500			
<b>Total Operating Transfers and Grants</b>	5	-	43 857	-	2 734	15 941	7 310	7 806	106,8%	-
<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	-	43 857	-	2 734	15 941	7 310	7 806	106,8%	-

3.2.2 Supporting Table SC7(1) – Grant Expenditure:

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August

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
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	34 908	-	2 908	5 498	5 818	(320)	-5,5%	-
Local Government Equitable Share			30 642		2 554	5 107	5 107	-		
FMG - Internship Training			1 000		232	260	167	94	56,2%	
EPWP Incentive			1 231		123	130	205	(75)	-36,5%	
Rural Asset Management Grant			2 035		-	-	339	(339)	-100,0%	
Provincial Government:		-	1 759	-	69	115	293	-		-
WK FMG KAPASITEIT AFS			-		-	-	-	-		
Disaster Management			-		-	-	-	-		
WP Financial Management Support Grant			280		-	-	47			
WC - FMG CAPACITY			379		52	99	63			
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		17	17	183			
LG GEGRADUEERDE INTERNSKAP			-		-	-	-			
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	7 190	-	-	13	1 198	(1 186)	-98,9%	-
CHIETA			1 300		-	-	217	(217)	-100,0%	
LGSETA			2 850		-	-	475			
LGSETA MANDATORY GRANT			40		-	13	7			
Audit fee			3 000		-	-	500	(500)	-100,0%	
<b>Total operating expenditure of Transfers and Grants:</b>		-	43 857	-	2 977	5 626	7 310	(1 506)	-20,6%	-
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		-	-	-	-	-	-	-		-
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
Fire department capacity building										
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
<b>Total capital expenditure of Transfers and Grants</b>		-	-	-	-	-	-	-		-
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	43 857	-	2 977	5 626	7 310	(1 506)	-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 - M02 August

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
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July		62		4	4	62	58	93,0%	1%
August		65		-		127	-		
September		65				193	-		
October		65				258	-		
November		65				323	-		
December		65				389	-		
January		65				454	-		
February		65				519	-		
March		65				585	-		
April		65				650	-		
May		65				715	-		
June		29				744	-		
<b>Total Capital expenditure</b>	-	<b>744</b>	-	<b>4</b>					

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

Print Name : S Jooste

Municipal Manager

Signature 

Date: 13 September 2019