

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 MAY 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.

Executive Mayor: Dr AL Rabie

12 June 2020

2.2 **SECTION 2 – RESOLUTIONS:**

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

RESOLVED:

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

	Capital Expenditure	Operating Expenditure	Operating Revenue
Original Budget	743 800,00	96 254 785,45	97 236 676,00
Adjustment Budget	1 112 300,00	103 463 170,99	104 609 577,35
Actual spend / received (YTD)	100 741,30	75 393 432,77	85 995 857,80
Percentage Spend (YTD)	9%	73%	82%

The table reflects spending of the capital budget of 9%. The total operating expenditure and revenue reflects percentage spent of 73% and 82% 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:

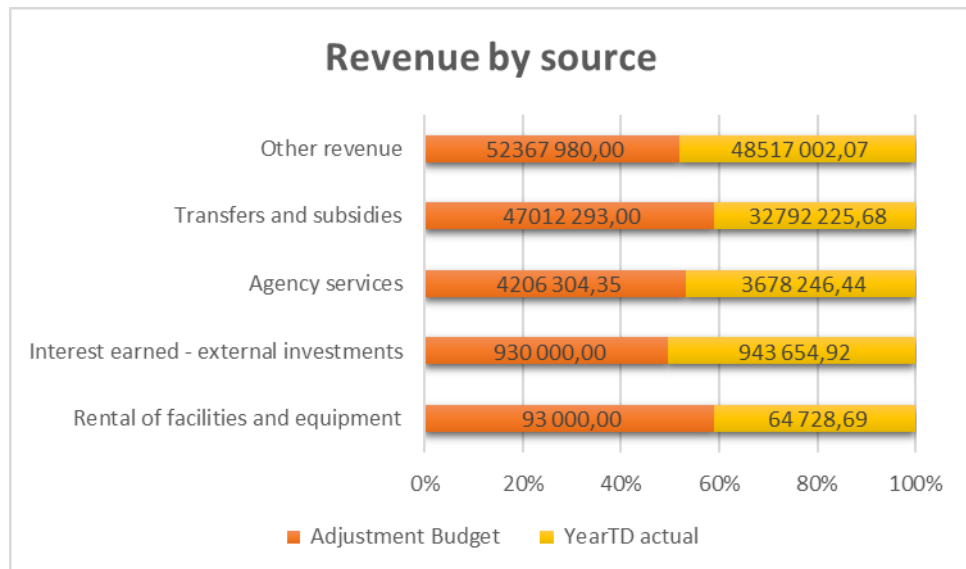


Figure 1 – Revenue by source (*Refer to Grants receipts schedule for actual receipts, page 22)

- **Other Revenue:**

The amount raised as reflected for the actual year to date represents 93% of the total budget amount. The budgeted amount received (Year-to-date) amounts to R 48.004 million.

- **Interest Earned – External Investments:**

The adjustment budget amount for Interest earned R 930 000, whilst the year to date actual revenue is R 943 655. Thus, reflecting receipt of 101% at the end of Month 11 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 75.393 million and the year to date budget is R 94.841 million which represents a **variance of 20.5%** for the year to date.

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

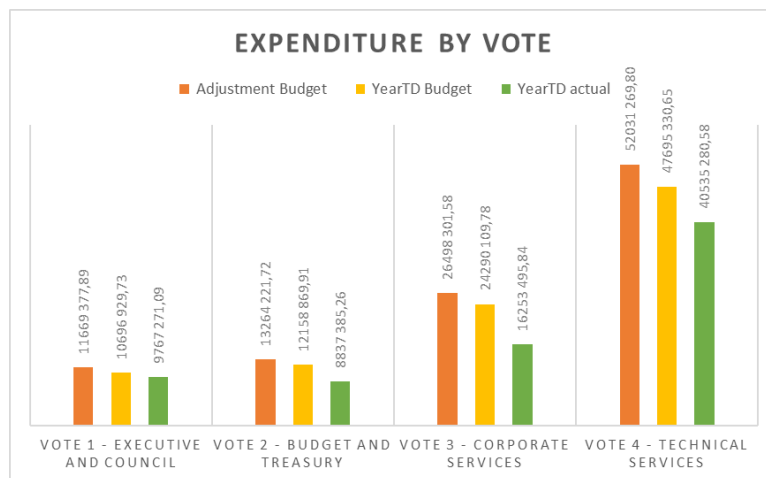


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Adjustment Budget	YearTD Budget	YearTD actual	% Spend
Vote 1 - EXECUTIVE AND COUNCIL	11 669 377,89	10 696 929,73	9 767 271,09	84%
Vote 2 - BUDGET AND TREASURY	13 264 221,72	12 158 869,91	8 837 385,26	67%
Vote 3 - CORPORATE SERVICES	26 498 301,58	24 290 109,78	16 253 495,84	61%
Vote 4 - TECHNICAL SERVICES	52 031 269,80	47 695 330,65	40 535 280,58	78%
Total Expenditure by Vote	103 463 170,99	94 841 240,08	75 393 432,77	73%

The adjustment budget for Technical Service is R 52.031 million of which R 40.535 million has been expended representing 78% of the budget amount.

The adjustment budget for Corporate Services is R 26.498 million of which R 16.253 million has been expended representing 61% of the budget amount.

The adjustment budget for Budget and Treasury is R 13.264 million of which R 8.837 million has been expended representing 67% of the budget amount.

The adjustment budget for Executive and Council is R 11.669 million of which R 9.767 million has been expended representing 84% of the budget amount.

2.3.2.4 Capital Expenditure (Figure 3):

The capital spending for the year to date of amounts to R 100 741. The total capital budget amount is R 1.112 million, thus reflecting total spending of 9% at the end of May 2020.

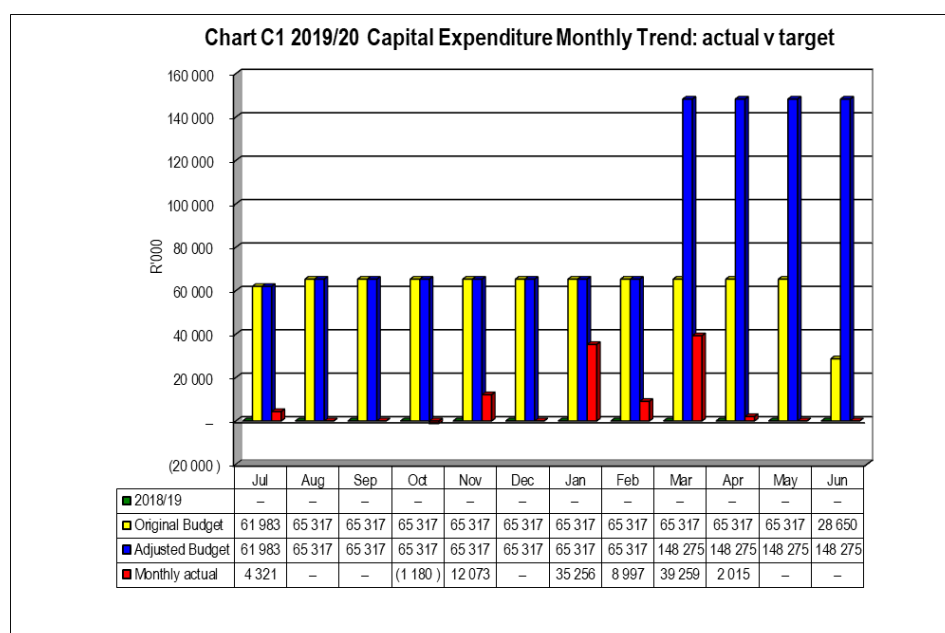


Figure 3 – Breakdown Capital Expenditure by month

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 May for the cash flow statement amounts to R 23.381 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 - M11 May

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	930	57	944	853	91	11%	-
Transfers and subsidies	-	43 959	47 012	-	32 792	43 095	(10 302)	-24%	-
Other own revenue	-	52 648	56 667	3 622	52 260	51 945	315	1%	-
Total Revenue (excluding capital transfers and contributions)	-	97 237	104 610	3 679	85 996	95 892	(9 896)	-10%	-
Employee costs	-	50 408	55 114	3 512	42 846	50 521	(7 675)	-15%	-
Remuneration of Councillors	-	3 796	3 841	451	3 864	3 521	343	10%	-
Depreciation & asset impairment	-	283	473	-	-	433	(433)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	16 851	12 484	2	45	11 444	(11 399)	-100%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	24 918	31 551	1 842	28 638	28 922	(283)	-1%	-
Total Expenditure	-	96 255	103 463	5 807	75 393	94 841	(19 448)	-21%	-
Surplus/(Deficit)	-	982	1 146	(2 128)	10 602	1 051	9 552	909%	-
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	982	1 146	(2 128)	10 602	1 051	9 552	909%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	982	1 146	(2 128)	10 602	1 051	9 552	909%	-
Capital expenditure & funds sources									
Capital expenditure	-	744	1 047	-	101	1 020	(919)	-90%	-
Capital transfers recognised	-	-	870	-	-	798	(798)	-100%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	744	242	-	101	222	(121)	-55%	-
Total sources of capital funds	-	744	1 112	-	101	1 020	(919)	-90%	-
Financial position									
Total current assets	-	9 443	9 239	-	28 665	-	-	-	9 443
Total non current assets	-	19 261	19 630	-	17 992	-	-	-	19 261
Total current liabilities	-	8 218	8 218	-	12 830	-	-	-	8 218
Total non current liabilities	-	18 091	18 091	-	15 274	-	-	-	18 091
Community wealth/Equity	-	2 396	2 560	-	18 552	-	-	-	2 396
Cash flows									
Net cash from (used) operating	-	1 330	1 455	(2 128)	14 427	1 333	(13 093)	-982%	-
Net cash from (used) investing	-	(784)	(1 112)	-	(1 144)	(1 020)	125	-12%	-
Net cash from (used) financing	-	(11)	(11)	-	-	(10)	(10)	100%	-
Cash/cash equivalents at the month/year end	-	4 140	3 936	-	20 381	3 909	(16 473)	-421%	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	(71)	20	147	1	-	1 023	-	(1)	1 119
Creditors Age Analysis									
Total Creditors	41	1	12	0	7	-	-	-	62

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) - M11 May

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	47 889	455	37 469	43 899	(6 429)	-15%	–
Executive and council		–	37 969	38 074	398	14 727	34 901	(20 174)	-58%	–
Finance and administration		–	9 117	9 690	57	22 742	8 883	13 859	156%	–
Internal audit		–	–	125	–	–	115	(115)	-100%	–
Community and public safety		–	45	125	1	129	114	14	12%	–
Community and social services		–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	80	–	80	73	7	9%	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	45	45	1	49	41	8	19%	–
Economic and environmental services		–	50 106	56 596	3 224	48 398	51 879	(3 481)	-7%	–
Planning and development		–	2 331	4 495	–	27	4 120	(4 093)	-99%	–
Road transport		–	47 775	52 101	3 224	48 371	47 759	612	1%	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		–	–	–	–	–	–	–	–	–
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	–	97 237	104 610	3 679	85 996	95 892	(9 896)	-10%	–
Expenditure - Functional										
Governance and administration		–	33 790	37 478	2 117	25 536	34 355	(8 820)	-26%	–
Executive and council		–	8 473	9 096	983	7 890	8 338	(448)	-5%	–
Finance and administration		–	24 955	25 809	1 071	15 772	23 658	(7 886)	-33%	–
Internal audit		–	363	2 574	63	1 874	2 359	(486)	-21%	–
Community and public safety		–	6 451	6 201	459	5 335	5 685	(349)	-6%	–
Community and social services		–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	1 886	1 749	157	1 421	1 603	(181)	-11%	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	4 565	4 453	301	3 914	4 082	(168)	-4%	–
Economic and environmental services		–	56 252	59 733	3 217	44 480	54 756	(10 276)	-19%	–
Planning and development		–	6 861	7 702	374	3 943	7 060	(3 118)	-44%	–
Road transport		–	49 391	52 031	2 843	40 538	47 695	(7 158)	-15%	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		–	–	–	–	–	–	–	–	–
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
Other		–	190	50	14	42	46	(3)	-7%	–
Total Expenditure - Functional	3	–	96 684	103 463	5 807	75 393	94 841	(19 448)	-21%	–
Surplus/ (Deficit) for the year		–	553	1 146	(2 128)	10 602	1 051	9 552	909%	–

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) - M11 May

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										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	38 062	38 199	398	14 727	35 016	(20 288)	-57,9%	-
Vote 2 - BUDGET AND TREASURY		-	4 301	4 316	57	22 681	3 956	18 725	473,3%	-
Vote 3 - CORPORATE SERVICES		-	7 098	9 994	1	217	9 161	(8 944)	-97,6%	-
Vote 4 - TECHNICAL SERVICES		-	47 775	52 101	3 224	48 371	47 759	612	1,3%	-
Total Revenue by Vote	2	-	97 237	104 610	3 679	85 996	95 892	(9 896)	-10,3%	-
Expenditure by Vote										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	9 925	11 669	1 046	9 767	10 697	(930)	-8,7%	-
Vote 2 - BUDGET AND TREASURY		-	12 199	13 264	409	8 837	12 159	(3 321)	-27,3%	-
Vote 3 - CORPORATE SERVICES		-	26 522	26 498	1 509	16 253	24 290	(8 037)	-33,1%	-
Vote 4 - TECHNICAL SERVICES		-	47 608	52 031	2 843	40 535	47 695	(7 160)	-15,0%	-
Total Expenditure by Vote	2	-	96 255	103 463	5 807	75 393	94 841	(19 448)	-20,5%	-
Surplus/ (Deficit) for the year	2	-	982	1 146	(2 128)	10 602	1 051	9 552	908,9%	-

Table C3C: Monthly Budget Statement – Financial:

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M11 May

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		-	38 062	38 199	398	14 727	35 016	(20 288)	-58%	-
1.1 - MUNICIPAL MANAGER			7 420	7 082	425	3 823	6 492	(2 668)	-41%	
1.2 - COUNCIL GENERAL EXPENSES			30 642	30 992	-	10 931	28 409	(17 478)	-62%	
1.3 - INTERNAL AUDIT			-	125	-	-	115	(115)	-100%	
1.4 - EDA			-	-	-	-	-	-	-	
1.5 - RAMMS			-	-	(27)	(27)	-	(27)	#DIV/0!	
Vote 2 - BUDGET AND TREASURY		-	4 301	4 316	57	22 681	3 956	18 725	473%	-
2.1 - FINANCIAL SERVICES			3 301	3 316	57	21 983	3 040	18 943	623%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			1 000	1 000	-	698	917	(218)	-24%	
Vote 3 - CORPORATE SERVICES		-	7 098	9 994	1	217	9 161	(8 944)	-98%	-
3.1 - CORPORATE SERVICES			31	1 306	-	61	1 197	(1 136)	-95%	
3.2 - TOURISM			-	-	-	-	-	-	-	
3.3 - STRATEGIC PLANNING			2 331	3 331	-	27	3 053	(3 026)	-99%	
3.4 - ENVIRONMENTAL HEALTH			45	45	1	49	41	8	19%	
3.5 - CIVIL DEFENCE			-	80	-	80	73	7	9%	
3.6 - LED			-	-	-	-	-	-	-	
3.7 - WORK FOR WATER			-	-	-	-	-	-	-	
3.8 - IDP			-	-	-	-	-	-	-	
3.9 - HUMAN RESOURCES			4 692	5 232	-	-	4 796	(4 796)	-100%	
Vote 4 - TECHNICAL SERVICES		-	47 775	52 101	3 224	48 371	47 759	612	1%	-
4.1 - ROADS			47 775	52 101	3 224	48 371	47 759	612	1%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Revenue by Vote	2	-	97 237	104 610	3 679	85 996	95 892	(9 896)	-10%	-
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	9 925	11 669	1 046	9 767	10 697	(930)	-9%	-
1.1 - MUNICIPAL MANAGER			4 228	3 411	230	2 587	3 127	(539)	-17%	
1.2 - COUNCIL GENERAL EXPENSES			4 892	5 685	725	4 993	5 211	(218)	-4%	
1.3 - INTERNAL AUDIT			805	2 574	91	2 187	2 359	(172)	-7%	
1.4 - EDA			-	-	-	-	-	-	-	
1.5 - RAMMS			-	-	-	-	-	-	-	
Vote 2 - BUDGET AND TREASURY		-	12 199	13 264	409	8 837	12 159	(3 321)	-27%	-
2.1 - FINANCIAL SERVICES			11 239	12 269	382	8 359	11 247	(2 888)	-26%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			960	995	27	478	912	(434)	-48%	
Vote 3 - CORPORATE SERVICES		-	26 522	26 498	1 509	16 253	24 290	(8 037)	-33%	-
3.1 - CORPORATE SERVICES			7 469	8 242	662	6 932	7 555	(623)	-8%	
3.2 - TOURISM			190	50	14	42	46	(3)	-7%	
3.3 - STRATEGIC PLANNING			4 909	4 862	374	3 943	4 457	(515)	-12%	
3.4 - ENVIRONMENTAL HEALTH			4 570	4 453	301	3 915	4 082	(167)	-4%	
3.5 - CIVIL DEFENCE			1 886	1 749	157	1 421	1 603	(181)	-11%	
3.6 - LED			499	340	-	-	311	(311)	-100%	
3.7 - WORK FOR WATER			-	-	-	-	-	-	-	
3.8 - IDP			402	512	-	-	469	(469)	-100%	
3.9 - HUMAN RESOURCES			6 596	6 291	-	-	5 767	(5 767)	-100%	
Vote 4 - TECHNICAL SERVICES		-	47 608	52 031	2 843	40 535	47 695	(7 160)	-15%	-
4.1 - ROADS			47 608	52 031	2 843	40 535	47 695	(7 160)	-15%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Expenditure by Vote	2	-	96 255	103 463	5 807	75 393	94 841	(19 448)	(0)	-
Surplus/ (Deficit) for the year	2	-	982	1 146	(2 128)	10 602	1 051	9 552	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) - M11 May

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 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		65	85	(21)	-24%	
Interest earned - external investments			630	930	57	944	853	91	11%	
Interest earned - outstanding debtors										
Dividends received										
Fines, penalties and forfeits										
Licences and permits										
Agency services			4 182	4 206	394	3 678	3 856	(178)	-5%	
Transfers and subsidies			43 959	47 012		32 792	43 095	(10 302)	-24%	
Other revenue			48 373	52 368	3 227	48 517	48 004	513	1%	
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)			97 237	104 610	3 679	85 996	95 892	(9 896)	-10%	
Expenditure By Type										
Employee related costs			50 408	55 114	3 512	42 846	50 521	(7 675)	-15%	
Remuneration of councillors			3 796	3 841	451	3 864	3 521	343	10%	
Debt impairment										
Depreciation & asset impairment			283	473			433	(433)	-100%	
Finance charges										
Bulk purchases										
Other materials			16 851	12 484	2	45	11 444	(11 399)	-100%	
Contracted services			4 306	5 709	2	864	5 233	(4 370)	-83%	
Transfers and subsidies										
Other expenditure			20 612	25 842	1 840	27 775	23 689	4 086	17%	
Loss on disposal of PPE										
Total Expenditure			96 255	103 463	5 807	75 393	94 841	(19 448)	-21%	
Surplus/(Deficit)			982	1 146	(2 128)	10 602	1 051	9 552	0	
Transfers and subsidies - capital (inter-fund 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	1 146	(2 128)	10 602	1 051			
Taxation										
Surplus/(Deficit) after taxation			982	1 146	(2 128)	10 602	1 051			
Attributable to minorities										
Surplus/(Deficit) attributable to municipality			982	1 146	(2 128)	10 602	1 051			
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year			982	1 146	(2 128)	10 602	1 051			

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) - M11 May										
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		-	31	98	-	26	817	(791)	-97%	-
Vote 2 - BUDGET AND TREASURY		-	60	140	-	35	49	(14)	-29%	-
Vote 3 - CORPORATE SERVICES		-	653	709	-	40	154	(114)	-74%	-
Vote 4 - TECHNICAL SERVICES		-	-	100	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	744	1 047	-	101	1 020	(919)	-90%	-
Total Capital Expenditure		-	744	1 047	-	101	1 020	(919)	-90%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	245	1 053	-	69	965	(896)	-93%	-
Executive and council		-	6	881	-	26	808	(782)	-97%	-
Finance and administration		-	214	162	-	44	149	(105)	-71%	-
Internal audit		-	25	10	-	-	9	(9)	-100%	-
Community and public safety		-	449	29	-	8	26	(19)	-71%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	406	1	-	-	1	(1)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	43	28	-	8	26	(18)	-70%	-
Economic and environmental services		-	51	31	-	24	28	(4)	-15%	-
Planning and development		-	51	31	-	24	28	(4)	-15%	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	744	1 112	-	101	1 020	(919)	-90%	-
Funded by:										
National Government		-	-	870	-	-	798	(798)	-100%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	-	870	-	-	798	(798)	-100%	-
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	744	242	-	101	222	(121)	-55%	-
Total Capital Funding		-	744	1 112	-	101	1 020	(919)	-90%	-

2.4.1.6 Table C6: Monthly Budget Statement – Financial Position:

DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - M11 May

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	3 936	5 339	4 140	
Call investment deposits			–	–	15 042	–	
Consumer debtors			3 275	3 275	–	3 275	
Other debtors			1 315	1 315	6 981	1 315	
Current portion of long-term receivables			–	–	–	–	
Inventory			713	713	1 302	713	
Total current assets			–	9 443	9 239	28 665	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	9 517	8 479	9 149	
Agricultural			–	–	–	–	
Biological			–	–	–	–	
Intangible			93	93	112	93	
Other non-current assets			–	–	–	–	
Total non current assets			–	19 261	19 630	17 992	19 261
TOTAL ASSETS			–	28 704	28 869	46 656	28 704
LIABILITIES							
Current liabilities							
Bank overdraft			–	–	–	–	
Borrowing			39	39	70	39	
Consumer deposits			–	–	–	–	
Trade and other payables			8 179	8 179	8 185	8 179	
Provisions			–	–	4 576	–	
Total current liabilities			–	8 218	8 218	12 830	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	28 104	26 309
NET ASSETS	2		–	2 396	2 560	18 552	2 396
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			2 396	2 560	18 552	2 396	
Reserves			–	–	–	–	
TOTAL COMMUNITY WEALTH/EQUITY	2		–	2 396	2 560	18 552	2 396

2.4.1.7 Table C7: Monthly Budget Statement – Cash Flow:

DC5 Central Karoo - Table C7 Monthly Budget Statement - Cash Flow - M11 May

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										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			-	-				-			
Service charges			-	-				-			
Other revenue			52 790	56 809	3 622	52 260	52 075	185	0%		
Government - operating			43 717	46 771	-	32 792	42 873	(10 081)	-24%		
Government - capital			-	-			-	-			
Interest			600	900	57	966	825	141	17%		
Dividends			-	-			-	-			
Payments											
Suppliers and employees			(95 776)	(103 025)	(5 807)	(71 591)	(94 439)	(22 848)	24%		
Finance charges			-	-			-	-			
Transfers and Grants			-	-			-	-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	1 330	1 455	(2 128)	14 427	1 333	(13 093)	-982%	-
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)	(1 112)	-	(101)	(1 020)	(919)	90%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(784)	(1 112)	-	(1 144)	(1 020)	125	-12%	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-			-	-			
Borrowing long term/refinancing			-	-			-	-			
Increase (decrease) in consumer deposits			-	-			-	-			
Payments											
Repayment of borrowing			(11)	(11)			(10)	(10)	100%		
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	(11)	(11)	-	-	(10)	(10)	100%	-
NET INCREASE/ (DECREASE) IN CASH HELD			-	535	331	(2 128)	13 282	304			-
Cash/cash equivalents at beginning:			3 605	3 605		7 099	3 605				7 099
Cash/cash equivalents at month/year end:			-	4 140	3 936		20 381	3 909			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 - M11 May

Description	NT Code	Budget Year 2019/20									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					
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	(71)	20	147	1			1 023		(1)	1 119	1 023		
Total By Income Source	2000	(71)	20	147	1			1 023		(1)	1 119	1 023	-	-
2018/19 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200													
Commercial	2300													
Households	2400													
Other	2500	(71)	20	147	1			1 023		(1)	1 119	1 023		
Total By Customer Group	2600	(71)	20	147	1			1 023		(1)	1 119	1 023	-	-

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 - M11 May

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	41	1	12	0	7					62	
Auditor General	0800											
Other	0900											
Total By Customer Type	1000	41	1	12	0	7					62	-

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 - M11 May

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	-	34 908	31 999	2 723	8,5%	-
Local Government Equitable Share			30 642	30 642	-	30 642	28 089	2 554	9,1%	
FMG - Internship Training			1 000	1 000	-	1 000	917			
EPWP Incentive			1 231	1 231	-	1 231	1 128			
Rural Asset Management Grant			2 035	2 035	-	2 035	1 865	170	9,1%	
Provincial Government:		-	1 759	4 803	-	2 284	4 402	(952)	-21,6%	-
WK FMG KAPASITEIT AFS			-	-	-	-	-	-		
Disaster Management			-	-	-	-	-	-		
WP Financial Management Support Grant			280	1 569	-	680	1 438			
WC - FMG CAPACITY			379	646	-	379	592			
WK FMG ERM SYSTEM			-	-	-	-	-	-		
WK FMG PDO COMPLIANCE			-	-	-	-	-	-		
WK FMG ERM SYSTEM ROLL-FORWARD			-	-	-	-	-	-		
WK FMG CAPACITY AUDIT ASSISTANCE			-	-	-	125	-			
DROUGHT ACTION PLAN			-	350	-	-	321			
WOSA			1 100	2 100	-	1 100	1 925	(825)	-42,9%	
LG GEGRADUEERDE INTERNSKAP	4		-	138	-	-	127	(127)	-100,0%	
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		-	7 190	7 200	-	1 011	6 600	(5 590)	-84,7%	-
CHIETA			1 300	1 300	-	1 011	1 192	(181)	-15,2%	
LGSETA			2 850	2 850	-	-	2 613			
LGSETA MANDATORY GRANT			40	50	-	-	46			
Audit fee			3 000	3 000	-	-	2 750			
Total Operating Transfers and Grants	5	-	43 857	46 911	-	38 203	43 001	(3 818)	-8,9%	-
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Other capital transfers <i>[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	46 911	-	38 203	43 001	(3 818)	-8,9%	-

3.2.2 Supporting Table SC7(1) – Grant Expenditure:

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

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	2 781	30 237	31 999	(1 762)	-5,5%	-
Local Government Equitable Share			30 642	30 642	2 554	28 089	28 089	-		
FMG - Internship Training			1 000	1 000	34	831	917	(86)	-9,3%	
EPWP Incentive			1 231	1 231	194	1 315	1 128	187	16,6%	
Rural Asset Management Grant			2 035	2 035	-	2	1 865	(1 863)	-99,9%	
Provincial Government:		-	1 759	4 803	6	473	4 402	(61)	-1,4%	-
WK FMG KAPASITEIT AFS			-	-	-	-	-	-		
Disaster Management			-	-	-	-	-	-		
WP Financial Management Support Grant			280	1 569	-	244	1 438	-		
WC - FMG CAPACITY			379	646	-	130	592	-		
WK FMG ERM SYSTEM			-	-	-	-	-	-		
WK FMG PDO COMPLIANCE			-	-	-	-	-	-		
WK FMG ERM SYSTEM ROLL-FORWARD			-	-	-	-	-	-		
WK FMG CAPACITY AUDIT ASSISTANCE			-	-	-	-	-	-		
DROUGHT ACTION PLAN			-	350	-	-	321	-		
WOSA			1 100	2 100	0	33	1 925	-		
LG GEGRADUEERDE INTERNSKAP			-	138	6	66	127	(61)	-48,0%	
District Municipality:		-	-	-	-	-	-	-		-
[insert description]			-	-	-	-	-	-		-
Other grant providers:		-	7 190	7 200	120	630	6 600	(5 970)	-90,4%	-
CHIETA			1 300	1 300	120	502	1 192	(689)	-57,9%	
LGSETA			2 850	2 850	-	-	2 613	-		
LGSETA MANDATORY GRANT			40	50	-	128	46	-		
Audit fee			3 000	3 000	-	-	2 750	(2 750)	-100,0%	
Total operating expenditure of Transfers and Grants:		-	43 857	46 911	2 908	31 340	43 001	(7 792)	-18,1%	-
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Other capital transfers [insert description]			-	-	-	-	-	-		-
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	46 911	2 908	31 340	43 001	(7 792)	-18,1%	-

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 - M11 May

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	9	#VALUE!	519	#VALUE!	#VALUE!	#VALUE!
March		65	148	39	#VALUE!	667	#VALUE!	#VALUE!	#VALUE!
April		65	148	2	#VALUE!	816	#VALUE!	#VALUE!	#VALUE!
May		65	148	-		964	-		
June		29	148			1 112	-		
Total Capital expenditure	-	744	1 112	101					

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 May 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: 12 June 2020