

CENTRAL KAROO DISTRICT MUNICIPALITY



Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009.

IN-YEAR BUDGET STATEMENT JANUARY 2021



TABLE OF CONTENT

1.	Glossary		3 – 5
2.	PART 1	- IN-YEAR-REPORT	
2.1	SECTION 1	- Mayor’s Report	6
2.2	SECTION 2	- Resolutions	7
2.3	SECTION 3	- Executive Summary	8 – 12
2.4	SECTION 4	- In-Year Budget Statement Tables	13 – 20
3.	PART 2	- SUPPORTING DOCUMENTATION	
3.1	SECTION 5	- Debtors and Creditors Analysis	21
3.2	SECTION 6	- Allocation and Grant Receipts and Expenditure	22 – 23
3.3	SECTION 7	- Capital Programme Performance	24

1. **GLOSSARY**

- 1.1 **Adjustments Budget –** Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
- 1.2 **Allocations –** Money received from Provincial or National Government or other municipalities.
- 1.3 **Budget –** The financial plan of the Central Karoo District Municipality.
- 1.4 **Budget Related Policy –** Policy of the municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.
- 1.5 **Capital Expenditure –** Spending on assets such as land, buildings, furniture, computer equipment and machinery. Any capital expenditure must be reflected as a non-current asset on the Municipality's balance sheet.
- 1.6 **Cash Flow Statement –** A statement including only actual receipts and expenditure by the Municipality. Cash payments and receipts do not always coincide with budgeted timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.
- 1.7 **DORA –** Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
- 1.8 **Equitable Share –** A general grant paid to Municipalities.

- 1.9 **Fruitless and Wasteful Expenditure –** Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
- 1.10 **GFS –** Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between Municipalities.
- 1.11 **GRAP –** Generally Recognised Accounting Practice. The new standard for municipal accounting.
- 1.12 **IDP –** Integrated Development Plan. The main strategic planning document of the Municipality.
- 1.13 **MBRR –** Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations.
- 1.14 **MFMA –** Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Herein referred to as the Act.
- 1.15 **MTREF –** Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
- 1.16 **Operating Expenditure –** Spending on the day to day operations of the Municipality such as salaries and wages and general expenses.

- 1.17 **SDBIP –** Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
- 1.18 **Strategic Objectives –** The main priorities of the Central Karoo District Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
- 1.19 **Unauthorised Expenditure –** Generally, is spending without, or in excess of, an approved budget.
- 1.20 **Virement –** A transfer of budget.
- 1.21 **Virement Policy –** The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
- 1.22 **Vote –** One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments of the municipality. In Central Karoo District Municipality this means at directorate level. The votes for Central Karoo District therefore are:
- Executive and Council;
 - Budget and Treasury;
 - Corporate Services; and
 - Technical Services.

2. PART 1: IN-YEAR REPORT

2.1 SECTION 1 – MAYOR’S REPORT:

2.1.1 In-Year Report: Monthly Budget Statement:

2.1.1.1 Implementation of Budget in terms of SDBIP:

No comments apart from that already mentioned in the Executive summary of this report.

2.1.1.2 Other Information:

Additional clarity on the content of this report or answers to any questions is available from the Chief Financial Officer, Ms. Ursula Baartman.

2.2 SECTION 2 – RESOLUTIONS:

The recommended Resolution to Council with regard to the January 2021 In-Year Report is:

RESOLVED:

- (a) That the Council take note of contents in the in-year report for January 2021 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.

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
Adjustment Budget	1 104 100,00	103 981 702,40	105 134 493,00
Actual spend / received (YTD)	98 898,48	49 998 204,54	60 511 341,50
Percentage Spend (YTD)	9%	48%	58%

The table reflects spending of the capital budget of 9%. The total operating expenditure and revenue reflects percentage spent of 48% and 58% respectively.

Revenue will be closely scrutinised to ensure that only realistic anticipated revenue is contained in the adjustment budget.

The capital expenditure will increase significantly in the third quarter as a tender for the acquisition of computer equipment was finalised. The capital and operational budget is set to be adjusted with an adjustment budget as expenditure is reprioritized to meet the Covid-19 challenges.

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:

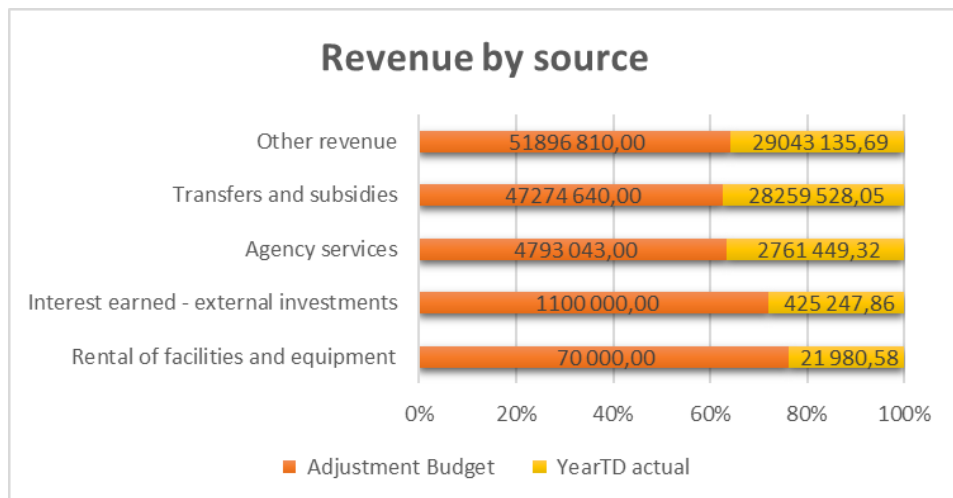


Figure 1 – Revenue by source (*Refer to Grants receipts schedule for actual receipts, page 22)

- **Other Revenue:**

The amount raised as reflected for the actual year to date represents 56% of the total adjusted budget amount. The budgeted amount received (Year-to-date) amounts to R 30.273 million. The adjustments was as a result of an additional equitable share allocation and the approval of roll-over applications.

- **Interest Earned – External Investments:**

The budget amount for Interest earned R 1 100 000, whilst the year to date actual revenue is R 425 247.86. Thus, reflecting receipt of 39% at the end of Month 07 of the financial year.

2.3.2.2 **Operating Expenditure by Type:**

The figures in this section 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 is 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 expenditure reflects expenses processed through the financial system as per invoices received. No provisional amounts per management estimate is included.

The total actual expenditure amounts to R 49.998 million and the year to date budget is R 60.656 million which represents a **variance of 18%** for the year to date. The variance is acceptable due to the impact of Covid-19 on operations.

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

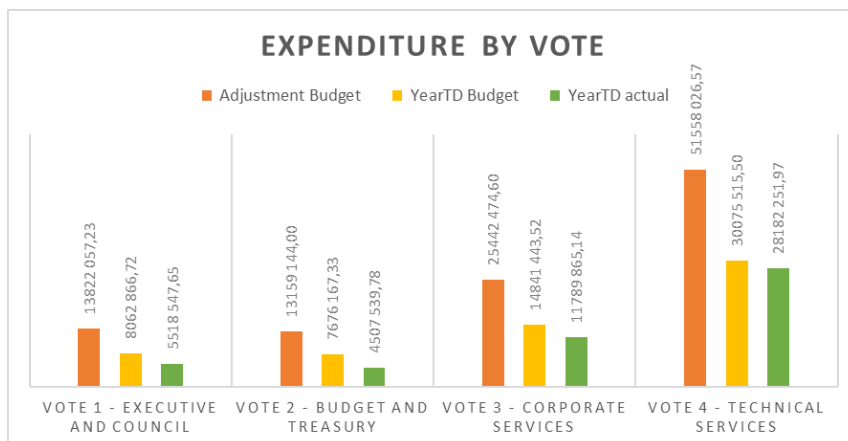


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Adjustment Budget	YearTD Budget	YearTD actual	% Spend
Vote 1 - EXECUTIVE AND COUNCIL	13 822 057,23	8 062 866,72	5 518 547,65	40%
Vote 2 - BUDGET AND TREASURY	13 159 144,00	7 676 167,33	4 507 539,78	34%
Vote 3 - CORPORATE SERVICES	25 442 474,60	14 841 443,52	11 789 865,14	46%
Vote 4 - TECHNICAL SERVICES	51 558 026,57	30 075 515,50	28 182 251,97	55%
Total Expenditure by Vote	103 981 702,40	60 655 993,07	49 998 204,54	48%

The adjustment budget for Technical Service is R 51.558 million of which R 28.182 million has been expended representing 55% of the budget amount.

The adjustment budget for Corporate Services is R 25.442 million of which R 11.790 million has been expended representing 46% of the budget amount.

The adjustment budget for Budget and Treasury is R 13.159 million of which R 4.508 million has been expended representing 34% of the budget amount. Expenditure will increase with the finalisation of the audit.

The adjustment budget for Executive and Council is R 13.822 million of which R 5.519 million has been expended representing 40% of the budget amount.

2.3.2.4 Capital Expenditure (Figure 3):

There is no capital spending for the quarter under review. The total capital budget amount is R 1.104 Million. Expenditure will increase in the this quarter with the finalisation of the computer equipment tender.

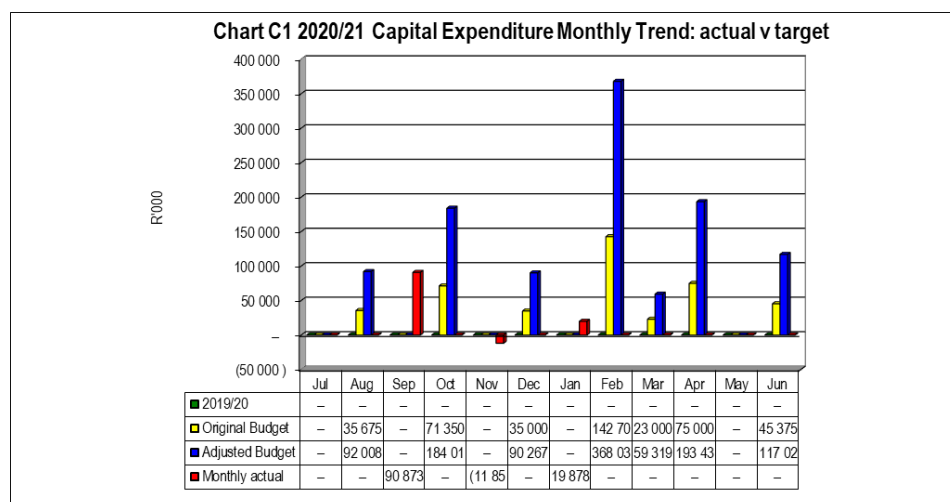


Figure 3 – Breakdown Capital Expenditure by month

2.3.3 **Cash Flow:**

The detail of this section can be found in Section 4 of this report Table C7 (Cashflow statement). The balance at the end of January for the cash flow statement amounts to R 24.861 million.

2.4 SECTION 4 – IN-YEAR BUDGET STATEMENT TABLE:

2.4.1.1 Table C1: Monthly Budget Statement Summary:

The table below provides a summary of the most important information by pulling its information from the other tables to follow.

DC5 Central Karoo - Table C1 Monthly Budget Statement Summary - M07 January									
Description	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									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	1 100	1 100	106	425	642	(216)	-34%	-
Transfers and subsidies	-	43 225	47 274	516	28 260	27 577	683	2%	-
Other own revenue	-	56 690	56 760	8 839	31 827	33 110	(1 283)	-4%	-
Total Revenue (excluding capital transfers and contributions)	-	101 015	105 134	9 461	60 511	61 328	(817)	-1%	-
Employee costs	-	52 257	54 504	1 906	29 352	31 794	(2 442)	-8%	-
Remuneration of Councillors	-	4 941	4 841	342	2 424	2 824	(399)	-14%	-
Depreciation & asset impairment	-	651	751	-	-	441	(441)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	76	91	4	48	53	(5)	-10%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	42 168	43 796	2 242	18 175	25 544	(7 370)	-29%	-
Total Expenditure	-	100 092	103 982	4 494	49 998	60 656	(10 658)	-18%	-
Surplus/(Deficit)	-	923	1 153	4 968	10 513	672	9 841	1463%	-
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	923	1 153	4 968	10 513	672	9 841	1463%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	923	1 153	4 968	10 513	672	9 841	1463%	-
Capital expenditure & funds sources									
Capital expenditure									
Capital transfers recognised	-	370	1 046	20	99	610	(511)	-84%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	58	58	-	-	34	(34)	-100%	-
Total sources of capital funds	-	428	1 104	20	99	644	(545)	-85%	-
Financial position									
Total current assets	-	10 169	10 701	-	25 755	-	-	-	10 169
Total non current assets	-	20 767	21 443	-	16 086	-	-	-	20 767
Total current liabilities	-	8 259	8 933	-	11 288	-	-	-	8 259
Total non current liabilities	-	19 009	19 009	-	14 563	-	-	-	19 009
Community wealth/Equity	-	3 669	4 200	-	15 990	-	-	-	3 669
Cash flows									
Net cash from (used) operating	-	1 434	2 641	4 968	9 574	1 540	(8 034)	-522%	-
Net cash from (used) investing	-	103	(573)	(20)	(99)	(334)	(235)	70%	-
Net cash from (used) financing	-	(36)	(36)	-	-	(21)	(21)	100%	-
Cash/cash equivalents at the month/year end	-	5 585	6 116	-	24 861	5 269	(19 591)	-372%	15 386
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	155	5	1	188	45	937	-	(1)	1 331
Creditors Age Analysis									
Total Creditors	(38)	(17)	-	85	-	-	-	-	30

2.4.1.2 Table C2: Monthly Budget Statement – Financial Performance (Standard Classification):

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

DC5 Central Karoo - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

Description	Ref	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	1									
Revenue - Functional										
<i>Governance and administration</i>		-	47 424	50 700	1 043	31 535	29 575	1 960	7%	-
Executive and council		-	39 453	42 759	603	14 240	24 943	(10 703)	-43%	-
Finance and administration		-	7 971	7 941	440	17 296	4 632	12 664	273%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	47	122	5	15	71	(56)	-78%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	75	-	-	44	(44)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	47	47	5	15	27	(12)	-44%	-
<i>Economic and environmental services</i>		-	53 544	54 312	8 413	28 961	31 682	(2 722)	-9%	-
Planning and development		-	2 100	2 868	1	20	1 673	(1 653)	-99%	-
Road transport		-	51 444	51 444	8 412	28 941	30 009	(1 068)	-4%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	101 015	105 134	9 461	60 511	61 328	(817)	-1%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	36 335	39 100	484	16 850	22 809	(5 959)	-26%	-
Executive and council		-	11 055	12 780	(1 400)	4 906	7 455	(2 549)	-34%	-
Finance and administration		-	24 235	25 276	1 841	11 331	14 744	(3 414)	-23%	-
Internal audit		-	1 044	1 044	43	613	609	4	1%	-
<i>Community and public safety</i>		-	6 843	7 028	454	3 315	4 100	(785)	-19%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1 787	1 912	144	895	1 116	(220)	-20%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	5 056	5 116	310	2 419	2 984	(565)	-19%	-
<i>Economic and environmental services</i>		-	56 874	57 813	3 555	29 834	33 725	(3 891)	-12%	-
Planning and development		-	5 479	6 255	226	1 652	3 649	(1 997)	-55%	-
Road transport		-	51 395	51 558	3 329	28 182	30 076	(1 893)	-6%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	40	40	-	-	23	(23)	-100%	-
Total Expenditure - Functional	3	-	100 092	103 982	4 494	49 998	60 656	(10 658)	-18%	-
Surplus/ (Deficit) for the year		-	923	1 153	4 968	10 513	672	9 841	1463%	-

2.4.1.3 Table C3: Monthly Budget Statement – Financial:

The budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality. On the next page, as part of Table C3, a table with the sub-votes is also prepared.

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January

Vote Description	Ref	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										
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	39 453	42 759	603	14 240	24 943	(10 703)	-42,9%	-
Vote 2 - BUDGET AND TREASURY		-	4 436	4 406	136	14 946	2 570	12 376	481,5%	-
Vote 3 - CORPORATE SERVICES		-	5 681	6 525	310	2 385	3 806	(1 422)	-37,4%	-
Vote 4 - TECHNICAL SERVICES		-	51 444	51 444	8 412	28 941	30 009	(1 068)	-3,6%	-
Total Revenue by Vote	2	-	101 015	105 134	9 461	60 511	61 328	(817)	-1,3%	-
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	12 097	13 822	(1 357)	5 519	8 063	(2 544)	-31,6%	-
Vote 2 - BUDGET AND TREASURY		-	13 449	13 159	845	4 508	7 676	(3 169)	-41,3%	-
Vote 3 - CORPORATE SERVICES		-	23 151	25 442	1 677	11 790	14 841	(3 052)	-20,6%	-
Vote 4 - TECHNICAL SERVICES		-	51 395	51 558	3 329	28 182	30 076	(1 893)	-6,3%	-
Total Expenditure by Vote	2	-	100 092	103 982	4 494	49 998	60 656	(10 658)	-17,6%	-
Surplus/ (Deficit) for the year	2	-	923	1 153	4 968	10 513	672	9 841	1463,4%	-

Table C3C: Monthly Budget Statement – Financial:

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M07 January

Vote Description	Ref	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
Revenue by Vote										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	39 453	42 759	603	14 240	24 943	(10 703)	-43%	-
1.1 - MUNICIPAL MANAGER			5 290	5 769	603	3 581	3 366	216	6%	
1.2 - COUNCIL GENERAL EXPENSES			32 215	33 042	-	10 658	19 275	(8 616)	-45%	
1.3 - INTERNAL AUDIT			-	-	-	-	-	-	-	
1.4 - EDA			-	-	-	-	-	-	-	
1.5 - RAMMS			1 948	3 948	-	-	2 303	(2 303)	-100%	
Vote 2 - BUDGET AND TREASURY		-	4 436	4 406	136	14 946	2 570	12 376	482%	-
2.1 - FINANCIAL SERVICES			3 436	3 406	3	14 428	1 987	12 441	626%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			1 000	1 000	133	518	583	(65)	-11%	
Vote 3 - CORPORATE SERVICES		-	5 681	6 525	310	2 385	3 806	(1 422)	-37%	-
3.1 - CORPORATE SERVICES			3 535	3 535	304	2 349	2 062	288	14%	
3.2 - TOURISM			-	-	-	-	-	-	-	
3.3 - STRATEGIC PLANNING			2 100	2 868	1	20	1 673	(1 653)	-99%	
3.4 - ENVIRONMENTAL HEALTH			47	47	5	15	27	(12)	-44%	
3.5 - CIVIL DEFENCE			-	75	-	-	44	(44)	-100%	
3.6 - LED			-	-	-	-	-	-	-	
3.7 - WORK FOR WATER			-	-	-	-	-	-	-	
3.8 - IDP			-	-	-	-	-	-	-	
3.9 - HUMAN RESOURCES			-	-	-	-	-	-	-	
Vote 4 - TECHNICAL SERVICES		-	51 444	51 444	8 412	28 941	30 009	(1 068)	-4%	-
4.1 - ROADS			51 444	51 444	8 412	28 941	30 009	(1 068)	-4%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Revenue by Vote	2	-	101 015	105 134	9 461	60 511	61 328	(817)	-1%	-
Expenditure by Vote										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	12 097	13 822	(1 357)	5 519	8 063	(2 544)	-32%	-
1.1 - MUNICIPAL MANAGER			3 038	3 402	(1 835)	1 090	1 984	(894)	-45%	
1.2 - COUNCIL GENERAL EXPENSES			6 207	5 992	321	2 980	3 495	(515)	-15%	
1.3 - INTERNAL AUDIT			1 044	1 044	43	613	609	4	1%	
1.4 - EDA			-	-	-	-	-	-	-	
1.5 - RAMMS			1 808	3 384	114	835	1 974	(1 139)	-58%	
Vote 2 - BUDGET AND TREASURY		-	13 449	13 159	845	4 508	7 676	(3 169)	-41%	-
2.1 - FINANCIAL SERVICES			12 779	12 489	801	4 279	7 285	(3 007)	-41%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			670	670	44	229	391	(162)	-41%	
Vote 3 - CORPORATE SERVICES		-	23 151	25 442	1 677	11 790	14 841	(3 052)	-21%	-
3.1 - CORPORATE SERVICES			10 785	12 115	996	6 823	7 067	(244)	-3%	
3.2 - TOURISM			40	40	-	-	23	(23)	-100%	
3.3 - STRATEGIC PLANNING			5 479	6 255	226	1 652	3 649	(1 997)	-55%	
3.4 - ENVIRONMENTAL HEALTH			5 060	5 120	310	2 420	2 986	(567)	-19%	
3.5 - CIVIL DEFENCE			1 787	1 912	144	895	1 116	(220)	-20%	
3.6 - LED			-	-	-	-	-	-	-	
3.7 - WORK FOR WATER			-	-	-	-	-	-	-	
3.8 - IDP			-	-	-	-	-	-	-	
3.9 - HUMAN RESOURCES			-	-	-	-	-	-	-	
Vote 4 - TECHNICAL SERVICES		-	51 395	51 558	3 329	28 182	30 076	(1 893)	-6%	-
4.1 - ROADS			51 395	51 558	3 329	28 182	30 076	(1 893)	-6%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Expenditure by Vote	2	-	100 092	103 982	4 494	49 998	60 656	(10 658)	(0)	-
Surplus/ (Deficit) for the year	2	-	923	1 153	4 968	10 513	672	9 841	0	-

2.4.1.4 Table C4: Monthly Budget Statement – Financial Performance (Revenue and Expenditure):

This table reflects the operating budget and actual figures of the financial performance. The revenue is specifically set out by source due to the fact that Council approves the revenue budget by source and the expenditure budget by vote.

DC5 Central Karoo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	Ref	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										
Revenue By Source										
Property rates										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse revenue										
Service charges - other										
Rental of facilities and equipment			100	70		22	41	(19)	-46%	
Interest earned - external investments			1 100	1 100	106	425	642	(216)	-34%	
Interest earned - outstanding debtors										
Dividends received										
Fines, penalties and forfeits										
Licences and permits										
Agency services			4 793	4 793	394	2 761	2 796	(34)	-1%	
Transfers and subsidies			43 225	47 275	516	28 260	27 577	683	2%	
Other revenue			51 797	51 897	8 445	29 043	30 273	(1 230)	-4%	
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)			101 015	105 134	9 461	60 511	61 328	(817)	-1%	
Expenditure By Type										
Employee related costs			52 257	54 504	1 906	29 352	31 794	(2 442)	-8%	
Remuneration of councillors			4 941	4 841	342	2 424	2 824	(399)	-14%	
Debt impairment										
Depreciation & asset impairment			651	757			441	(441)	-100%	
Finance charges										
Bulk purchases										
Other materials			76	91	4	48	53	(5)	-10%	
Contracted services			395	395	38	151	231	(80)	-35%	
Transfers and subsidies										
Other expenditure			41 773	43 395	2 204	18 024	25 314	(7 290)	-29%	
Loss on disposal of PPE										
Total Expenditure			100 092	103 982	4 494	49 998	60 636	(10 658)	-18%	
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			923	1 153	4 968	10 513	672	9 841	0	
Transfers and subsidies - capital (monetary allocations) (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			923	1 153	4 968	10 513	672			
Taxation										
Surplus/(Deficit) after taxation			923	1 153	4 968	10 513	672			
Attributable to minorities										
Surplus/(Deficit) attributable to municipality			923	1 153	4 968	10 513	672			
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year			923	1 153	4 968	10 513	672			

2.4.1.5 Table C5: Monthly Budget Statement – Capital Expenditure
(Municipal Vote, Standard Classification and Funding):

DC5 Central Karoo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07
 January

Vote Description	Ref	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	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		-	58	-	-	-	34	(34)	-100%	-
Vote 2 - BUDGET AND TREASURY		-	60	-	-	-	187	(187)	-100%	-
Vote 3 - CORPORATE SERVICES		-	310	-	20	99	424	(325)	-77%	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	428	-	20	99	644	(545)	-85%	-
Total Capital Expenditure		-	428	-	20	99	644	(545)	-85%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	279	539	18	18	314	(297)	-94%	-
Executive and council		-	58	58	-	-	34	(34)	-100%	-
Finance and administration		-	221	481	18	18	280	(263)	-94%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	53	53	2	2	31	(29)	-93%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	53	53	2	2	31	(29)	-93%	-
Economic and environmental services		-	97	513	-	79	299	(220)	-74%	-
Planning and development		-	97	513	-	79	299	(220)	-74%	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	428	1 104	20	99	644	(545)	-85%	-
Funded by:										
National Government		-	370	1 046	20	99	610	(511)	-84%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	370	1 046	20	99	610	(511)	-84%	-
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	58	58	-	-	34	(34)	-100%	-
Total Capital Funding		-	428	1 104	20	99	644	(545)	-85%	-

2.4.1.6 Table C6: Monthly Budget Statement – Financial Position:

DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2019/20	Budget Year 2020/21				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
R thousands	1						
ASSETS							
Current assets							
Cash			5 585	6 116	7 446	5 585	
Call investment deposits			-	-	17 415	-	
Consumer debtors			2 292	2 292	-	2 292	
Other debtors			2 292	2 292	(256)	2 292	
Current portion of long-term receivables			-	-	-	-	
Inventory			-	-	1 150	-	
Total current assets			-	10 169	10 701	25 755	10 169
Non current assets							
Long-term receivables			10 551	10 551	7 544	10 551	
Investments			-	-	-	-	
Investment property			-	-	-	-	
Investments in Associate			-	-	-	-	
Property, plant and equipment			10 123	10 799	8 445	10 123	
Agricultural			-	-	-	-	
Biological			-	-	-	-	
Intangible			93	93	97	93	
Other non-current assets			-	-	-	-	
Total non current assets			-	20 767	21 443	16 086	20 767
TOTAL ASSETS			-	30 937	32 144	41 841	30 937
LIABILITIES							
Current liabilities							
Bank overdraft			-	-	-	-	
Borrowing			39	39	21	39	
Consumer deposits			-	-	-	-	
Trade and other payables			8 220	8 896	6 314	8 220	
Provisions			-	-	4 953	-	
Total current liabilities			-	8 259	8 935	11 288	8 259
Non current liabilities							
Borrowing			54	54	-	54	
Provisions			18 955	18 955	14 563	18 955	
Total non current liabilities			-	19 009	19 009	14 563	19 009
TOTAL LIABILITIES			-	27 267	27 943	25 851	27 267
NET ASSETS	2		-	3 669	4 200	15 990	3 669
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			3 669	4 200	15 990	3 669	
Reserves			-	-	-	-	
TOTAL COMMUNITY WEALTH/EQUITY	2		-	3 669	4 200	15 990	3 669

2.4.1.7 Table C7: Monthly Budget Statement – Cash Flow:

DC5 Central Karoo - Table C7 Monthly Budget Statement - Cash Flow - M07 January

Description	Ref	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	1										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			-	-				-			
Service charges			-	-				-			
Other revenue			56 650	56 720	8 839	31 827	33 087	(1 260)	-4%		
Government - operating			43 265	47 315	516	30 620	27 600	3 020	11%		
Government - capital			-	-	-	-	-	-			
Interest			1 100	1 100	106	425	642	(216)	-34%		
Dividends			-	-	-	-	-	-			
Payments											
Suppliers and employees			(99 581)	(102 494)	(4 494)	(53 298)	(59 788)	(6 490)	11%		
Finance charges			-	-	-	-	-	-			
Transfers and Grants			-	-	-	-	-	-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	1 434	2 641	4 968	9 574	1 540	(8 034)	-522%	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			-	-				-			
Decrease (Increase) in non-current debtors			-	-				-			
Decrease (increase) other non-current receivables			531	531	-	-	310	(310)	-100%		
Decrease (increase) in non-current investments			-	-			-	-			
Payments											
Capital assets			(428)	(1 104)	(20)	(99)	(644)	(545)	85%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	103	(573)	(20)	(99)	(334)	(235)	70%	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-				-			
Borrowing long term/refinancing			(36)	(36)			(21)	21	-100%		
Increase (decrease) in consumer deposits			-	-			-	-			
Payments											
Repayment of borrowing			-	-			-	-			
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	(36)	(36)	-	(21)	(21)	100%	-	
NET INCREASE/ (DECREASE) IN CASH HELD			-	1 500	2 031	4 948	9 475	1 185			
Cash/cash equivalents at beginning:			4 085	4 085		15 386	4 085			15 386	
Cash/cash equivalents at month/year end:			-	5 585	6 116		24 861	5 269		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 - M07 January

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					
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	155	5	1	188	45	937	-	(1)	1.331	1.169			
Total By Income Source	2000	155	5	1	188	45	937	-	(1)	1.331	1.169	-	-	
2019/20 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200													
Commercial	2300													
Households	2400													
Other	2500	155	5	1	188	45	937	-	(1)	1.331	1.169			
Total By Customer Group	2600	155	5	1	188	45	937	-	(1)	1.331	1.169	-	-	

Table SC3 is the only debtors report required by the MBRR.

3.1.2 Supporting Table SC4:

DC5 Central Karoo - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	NT Code	Budget Year 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			
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	(38)	(17)	-	85	-	-	-	-	-	30	
Auditor General	0800											-
Other	0900											-
Total By Customer Type	1000	(38)	(17)	-	85	-	-	-	-	-	30	-

3.2

SECTION 6 – GRANT RECEIPTS:3.2.1 Supporting Table SC6 – Grant Receipts:

DC5 Central Karoo - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

Description	Ref	Budget year		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
		2019/20	2020/21							
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:										
Rural Roads Asset Management System			36 475	38 586	–	28 049	19 293	8 003	41,5%	–
Local government Financial Management Grant			1 948	3 532	–	1 364	1 766	(402)	-22,8%	
Expanded Public Works Programme			1 000	1 000	–	1 000	500			
Municipal Systems Improvement			1 262	1 262	–	884	631			
Local Government Equitable Share			300	–	–	–	–			
			31 965	32 792	–	24 801	16 396	8 405	51,3%	
Provincial Government:										
Western Cape Financial Management Support Grant			–	–	–	–	–			
Western Cape Financial Management Capacity Building Grant			400	779	–	–	390			
Safety Initiation Implementation - WOSA			2 100	2 868	–	–	1 434			
Disaster Management			–	–	–	–	–			
LG Graduate Internship Grant			–	–	–	–	–			
Municipal Drought Support			250	250	–	250	125			
District Municipality:										
<i>[insert description]</i>										
Other grant providers:										
1% AUDIT FEE FROM NATIONAL TREASURY			4 240	4 240	179	804	2 120	(1 316)	-62,1%	–
LGSETA			3 200	3 200	–	–	1 600	(1 600)	-100,0%	
LGSETA MANDATORY GRANT			40	40	–	–	20			
CHIETA			1 000	1 000	179	804	500			
			–	–	–	–	–			
Total Operating Transfers and Grants	5		43 465	46 723	179	29 103	23 362	6 687	28,6%	–
Capital Transfers and Grants										
National Government:										
Municipal Systems Improvement			–	716	–	–	–			
Rural Roads Asset Management System			–	300	–	–	–			
			–	416	–	–	–			
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		–	716	–	–	–	–		–
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5		43 465	47 439	179	29 103	23 362	6 687	28,6%	–

3.2.2 Supporting Table SC7(1) – Grant Expenditure:

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	Ref	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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	36 475	38 586	3 182	21 081	19 293	1 788	9,3%	-
Rural Roads Asset Management System			1 948	3 532	120	914	1 766	(852)	-48,2%	
Local government Financial Management Grant			1 000	1 000	70	589	500	89	17,7%	
Expanded Public Works Programme			1 262	1 262	329	932	631	301	47,7%	
Municipal Systems Improvement			300	-	-	-	-	-	-	
Local Government Equitable Share			31 965	32 792	2 664	18 646	16 396	2 250	13,7%	
Provincial Government:		-	2 750	3 897	-	44	1 949	(365)	-18,8%	-
Western Cape Financial Management Support Grant			-	-	-	24	-	24	#DIV/0!	
Western Cape Financial Management Capacity Building Grant			400	779	-	-	390	(390)	-100,0%	
Safety Initiation Implementation - WOSA			2 100	2 868	-	20	1 434	-	-	
Disaster Management			-	-	-	-	-	-	-	
LG Graduate Internship Grant			-	-	-	-	-	-	-	
Municipal Drought Support			250	250	-	-	125	-	-	
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	4 240	4 240	14	624	2 120	(1 496)	-70,6%	-
1% AUDIT FEE FROM NATIONAL TREASURY			3 200	3 200	-	-	1 600	(1 600)	-100,0%	
LGSETA			-	-	-	-	-	-	-	
LGSETA MANDATORY GRANT			40	40	14	56	20	-	-	
CHIETA			1 000	1 000	0	567	500	67	13,4%	
Total operating expenditure of Transfers and Grants:		-	43 465	46 723	3 197	21 748	23 362	(74)	-0,3%	-
Capital expenditure of Transfers and Grants										
National Government:		-	-	716	-	-	358	(358)	-100,0%	-
Municipal Systems Improvement			-	300	-	-	150	(150)	-100,0%	
Rural Roads Asset Management System			-	416	-	-	208	(208)	-100,0%	
Provincial Government:		-	-	-	-	-	-	-	-	-
Fire department capacity building			-	-	-	-	-	-	-	
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	-	716	-	-	358	(358)	-100,0%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	43 465	47 439	3 197	21 748	23 720	(432)	-1,8%	-

3.3 SECTION 7 – CAPITAL PROGRAMME PERFORMANCE:

3.3.1 Supporting Table C12:

Supporting Table C12 reconciled with Table C5.

DC5 Central Karoo - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January

Month	2019/20	Budget Year 2020/21							
	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		-	-	-		-	-		
August		36	92	-		92	-		
September		-	-	91	#VALUE!	92	#VALUE!	#VALUE!	#VALUE!
October		71	184	-		276	-		
November		-	-	(12)		276	-		
December		35	90	-		366	-		
January		-	-	20	#VALUE!	366	#VALUE!	#VALUE!	#VALUE!
February		143	368	-		734	-		
March		23	59	-		794	-		
April		75	193	-		987	-		
May		-	-	-		987	-		
June		45	117	-		1 104	-		
Total Capital expenditure		-	428	1 104	99				

QUALITY CERTIFICATE

I, **G. Matthyse**, 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 January for 2020/2021 financial year, has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print Name : G. Matthyse

Acting Municipal Manager

Signature

Date: 12 February 2021