

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 OCTOBER 2020



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1. **GLOSSARY**

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

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

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

2. PART 1: IN-YEAR REPORT

2.1 SECTION 1 – MAYOR’S REPORT:

2.1.1 In-Year Report: Monthly Budget Statement:

2.1.1.1 Implementation of Budget in terms of SDBIP:

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

2.1.1.2 Other Information:

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

2.2 SECTION 2 – RESOLUTIONS:

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

RESOLVED:

- (a) That the Council take note of contents in the in-year monthly report for October 2020 as set out in the schedules contained in Section 4:
 - (i) Table C1 – Monthly Budget Statement Summary;
 - (ii) Table C2 – Monthly Budget Statement: Financial Performance (Standard Classification);
 - (iii) Table C3 – Monthly Budget Statement: Financial Performance Standard Classification (Revenue and Expenditure by Municipal Vote);
 - (iv) Table C4 – Monthly Budget Statement: Financial Performance (Revenue by Source and Expenditure by Type);
 - (v) Table C5 – Monthly Budget Statement: Capital Expenditure;
 - (vi) Table C6 – Monthly Budget Statement: Financial Position; and
 - (vii) Table C7 – Monthly Budget Statement – Cash Flows.

- (b) Any other resolutions required by the Council.

2.3 **SECTION 3 – EXECUTIVE SUMMARY:**

2.3.1 **Introduction:**

All the schedules reflect the following information:

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

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

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

2.3.2.1 **Financial Performance:**

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

2.3.2.1.1 **Overall View:**

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

	<u>Capital Expenditure</u>	<u>Operating Expenditure</u>	<u>Operating Revenue</u>
Original Budget	428,100.00	100,091,945.00	101,014,853.00
Actual spend / received (YTD)	90,873.00	29,938,759.56	29,769,395.99
Percentage Spend (YTD)	21%	30%	29%

The table reflects spending of the capital budget of 21%. The total operating expenditure and revenue reflects percentage spent of 30% and 29% 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:

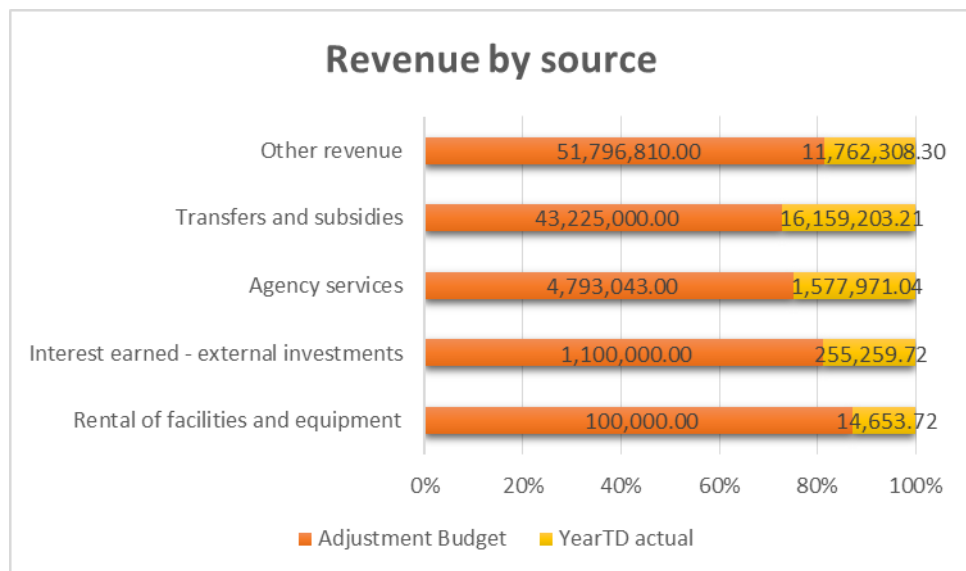


Figure 1 – Revenue by source (*Refer to Grants receipts schedule for actual receipts, page 22)

- **Other Revenue:**

The amount raised as reflected for the actual year to date represents 23% of the total budget amount. The budgeted amount received (Year-to-date) amounts to R 17.266 million.

- **Interest Earned – External Investments:**

The budget amount for Interest earned R 1 100 000, whilst the year to date actual revenue is R 255 259.72. Thus, reflecting receipt of 23% at the end of Month 04 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 29.939 million and the year to date budget is R 33.364 million which represents a **variance of 10%** for the year to date.

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

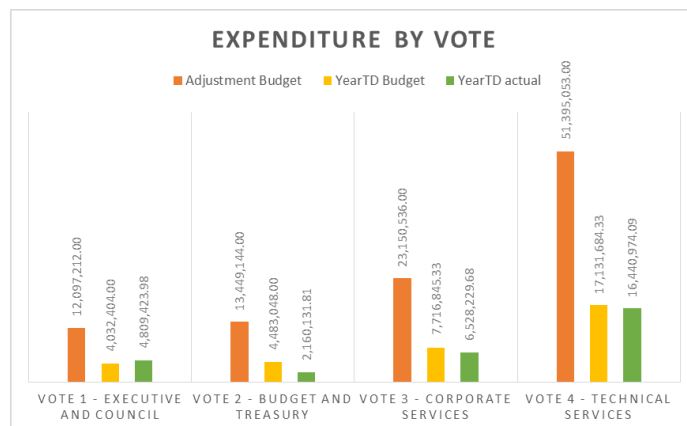


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Adjustment Budget	YearTD Budget	YearTD actual	% Spend
Vote 1 - EXECUTIVE AND COUNCIL	12,097,212.00	4,032,404.00	4,809,423.98	40%
Vote 2 - BUDGET AND TREASURY	13,449,144.00	4,483,048.00	2,160,131.81	16%
Vote 3 - CORPORATE SERVICES	23,150,536.00	7,716,845.33	6,528,229.68	28%
Vote 4 - TECHNICAL SERVICES	51,395,053.00	17,131,684.33	16,440,974.09	32%
Total Expenditure by Vote	100,091,945.00	33,363,981.67	29,938,759.56	30%

The adjustment budget for Technical Service is R 51.395 million of which R 16.441 million has been expended representing 32% of the budget amount.

The adjustment budget for Corporate Services is R 23.151 million of which R 6.528 million has been expended representing 28% of the budget amount.

The adjustment budget for Budget and Treasury is R 13.449 million of which R 2.160 million has been expended representing 16% of the budget amount.

The adjustment budget for Executive and Council is R 12.097 million of which R 4.809 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 year to date. The total capital budget amount is R 428 100.

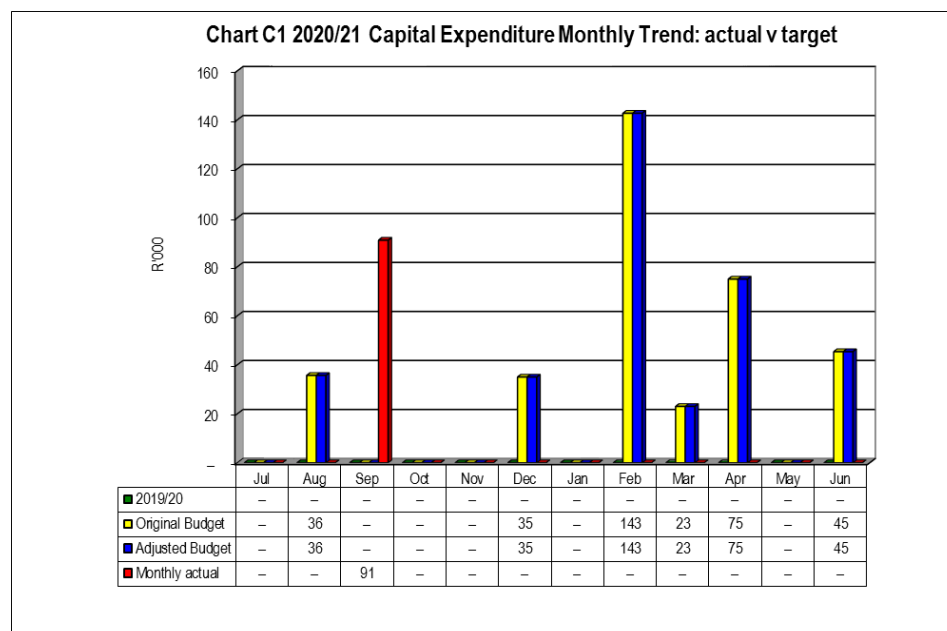


Figure 3 – Breakdown Capital Expenditure by month

2.3.3 Cash Flow:

The detail of this section can be found in Section 4 of this report Table C7 (Cashflow statement). The balance at the end of October for the cash flow statement amounts to R 18.121 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 - M04 October

Description	2019/20	Budget Year 2020/21							Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	1,100	1,100	65	255	367	(111)	-30%	-
Transfers and subsidies	-	43,225	43,225	1,075	16,159	14,408	1,751	12%	-
Other own revenue	-	56,690	56,690	404	13,355	18,897	(5,542)	-29%	-
Total Revenue (excluding capital transfers and contributions)	-	101,015	101,015	1,544	29,769	33,672	(3,902)	-12%	-
Employee costs	-	52,257	52,257	3,819	16,806	17,419	(613)	-4%	-
Remuneration of Councillors	-	4,941	4,941	358	1,353	1,647	(294)	-18%	-
Depreciation & asset impairment	-	651	651	-	-	217	(217)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	76	76	5	24	25	(1)	-6%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	42,168	42,168	3,124	11,755	14,056	(2,301)	-16%	-
Total Expenditure	-	100,092	100,092	7,305	29,939	33,364	(3,425)	-10%	-
Surplus/(Deficit)	-	923	923	(5,761)	(169)	308	(477)	-155%	-
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	923	923	(5,761)	(169)	308	(477)	-155%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	923	923	(5,761)	(169)	308	(477)	-155%	-
Capital expenditure & funds sources									
Capital expenditure	-	428	-	-	91	143	(52)	-36%	-
Capital transfers recognised	-	370	370	91	91	123	(32)	-26%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	58	58	-	-	19	(19)	-100%	-
Total sources of capital funds	-	428	428	91	91	143	(52)	-36%	-
Financial position									
Total current assets	-	10,169	10,169	-	18,735	-	-	-	10,169
Total non current assets	-	20,767	20,767	-	16,086	-	-	-	20,767
Total current liabilities	-	8,259	8,259	-	14,939	-	-	-	8,259
Total non current liabilities	-	19,009	19,009	-	14,563	-	-	-	19,009
Community wealth/Equity	-	3,669	3,669	-	5,318	-	-	-	3,669
Cash flows									
Net cash from (used) operating	-	1,434	1,434	(5,761)	2,826	478	(2,348)	-491%	-
Net cash from (used) investing	-	103	103	-	(91)	34	125	365%	-
Net cash from (used) financing	-	(36)	(36)	-	-	(12)	(12)	100%	-
Cash/cash equivalents at the month/year end	-	5,585	5,585	-	18,121	4,585	(13,536)	-295%	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	149	108	1	69	-	884	-	(1)	1,211
Creditors Age Analysis									
Total Creditors	860	75	-	(84)	-	-	-	-	851

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) - M04 October

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										
Governance and administration		-	47,424	47,424	1,536	18,023	15,808	2,215	14%	-
Executive and council		-	39,453	39,453	429	1,853	13,151	(11,298)	-86%	-
Finance and administration		-	7,971	7,971	1,107	16,170	2,657	13,513	509%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	47	47	3	8	16	(7)	-47%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	47	47	3	8	16	(7)	-47%	-
Economic and environmental services		-	53,544	53,544	6	11,738	17,848	(6,110)	-34%	-
Planning and development		-	2,100	2,100	5	15	700	(685)	-98%	-
Road transport		-	51,444	51,444	1	11,723	17,148	(5,425)	-32%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	101,015	101,015	1,544	29,769	33,672	(3,902)	-12%	-
Expenditure - Functional										
Governance and administration		-	36,335	36,335	2,294	10,886	12,112	(1,225)	-10%	-
Executive and council		-	11,055	11,055	674	4,376	3,685	690	19%	-
Finance and administration		-	24,235	24,235	1,574	6,077	8,078	(2,002)	-25%	-
Internal audit		-	1,044	1,044	46	434	348	86	25%	-
Community and public safety		-	6,843	6,843	460	1,663	2,281	(618)	-27%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1,787	1,787	151	431	596	(165)	-28%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	5,056	5,056	310	1,232	1,685	(453)	-27%	-
Economic and environmental services		-	56,874	56,874	4,551	17,390	18,958	(1,568)	-8%	-
Planning and development		-	5,479	5,479	265	949	1,826	(878)	-48%	-
Road transport		-	51,395	51,395	4,286	16,441	17,132	(691)	-4%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	40	40	-	-	13	(13)	-100%	-
Total Expenditure - Functional	3	-	100,092	100,092	7,305	29,939	33,364	(3,425)	-10%	-
Surplus/ (Deficit) for the year		-	923	923	(5,761)	(169)	308	(477)	-155%	-

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) - M04 October

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	39,453	429	1,853	13,151	(11,298)	-85.9%	-
Vote 2 - BUDGET AND TREASURY		-	4,436	4,436	227	14,687	1,479	13,209	893.3%	-
Vote 3 - CORPORATE SERVICES		-	5,681	5,681	888	1,506	1,894	(388)	-20.5%	-
Vote 4 - TECHNICAL SERVICES		-	51,444	51,444	1	11,723	17,148	(5,425)	-31.6%	-
Total Revenue by Vote	2	-	101,015	101,015	1,544	29,769	33,672	(3,902)	-11.6%	-
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	12,097	12,097	721	4,809	4,032	777	19.3%	-
Vote 2 - BUDGET AND TREASURY		-	13,449	13,449	713	2,160	4,483	(2,323)	-51.8%	-
Vote 3 - CORPORATE SERVICES		-	23,151	23,151	1,586	6,528	7,717	(1,189)	-15.4%	-
Vote 4 - TECHNICAL SERVICES		-	51,395	51,395	4,286	16,441	17,132	(691)	-4.0%	-
Total Expenditure by Vote	2	-	100,092	100,092	7,305	29,939	33,364	(3,425)	-10.3%	-
Surplus/ (Deficit) for the year	2	-	923	923	(5,761)	(169)	308	(477)	-155.1%	-

Table C3C: Monthly Budget Statement – Financial:

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M04 October

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	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	39,453	39,453	429	1,853	13,151	(11,298)	-86%	-
1.1 - MUNICIPAL MANAGER			5,290	5,290	429	1,612	1,763	(151)	-9%	-
1.2 - COUNCIL GENERAL EXPENSES			32,215	32,215	-	241	10,738	(10,497)	-98%	-
1.3 - INTERNAL AUDIT			-	-	-	-	-	-	-	-
1.4 - EDA			-	-	-	-	-	-	-	-
1.5 - RAMMS			1,948	1,948	-	-	649	(649)	-100%	-
Vote 2 - BUDGET AND TREASURY		-	4,436	4,436	227	14,687	1,479	13,209	893%	-
2.1 - FINANCIAL SERVICES			3,436	3,436	3	14,411	1,145	13,266	1158%	-
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	-
2.3 - FINANCE MANAGEMENT GRANT			1,000	1,000	224	276	333	(57)	-17%	-
Vote 3 - CORPORATE SERVICES		-	5,681	5,681	888	1,506	1,894	(388)	-20%	-
3.1 - CORPORATE SERVICES			3,535	3,535	880	1,482	1,178	304	26%	-
3.2 - TOURISM			-	-	-	-	-	-	-	-
3.3 - STRATEGIC PLANNING			2,100	2,100	5	15	700	(685)	-98%	-
3.4 - ENVIRONMENTAL HEALTH			47	47	3	8	16	(7)	-47%	-
3.5 - CIVIL DEFENCE			-	-	-	-	-	-	-	-
3.6 - LED			-	-	-	-	-	-	-	-
3.7 - WORK FOR WATER			-	-	-	-	-	-	-	-
3.8 - IDP			-	-	-	-	-	-	-	-
3.9 - HUMAN RESOURCES			-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	51,444	51,444	1	11,723	17,148	(5,425)	-32%	-
4.1 - ROADS			51,444	51,444	1	11,723	17,148	(5,425)	-32%	-
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	101,015	101,015	1,544	29,769	33,672	(3,902)	-12%	-
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	12,097	12,097	721	4,809	4,032	777	19%	-
1.1 - MUNICIPAL MANAGER			3,038	3,038	230	2,510	1,013	1,498	148%	-
1.2 - COUNCIL GENERAL EXPENSES			6,207	6,207	411	1,792	2,069	(277)	-13%	-
1.3 - INTERNAL AUDIT			1,044	1,044	46	434	348	86	25%	-
1.4 - EDA			-	-	-	-	-	-	-	-
1.5 - RAMMS			1,808	1,808	33	73	603	(529)	-88%	-
Vote 2 - BUDGET AND TREASURY		-	13,449	13,449	713	2,160	4,483	(2,323)	-52%	-
2.1 - FINANCIAL SERVICES			12,779	12,779	686	2,056	4,260	(2,204)	-52%	-
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	-
2.3 - FINANCE MANAGEMENT GRANT			670	670	27	104	223	(119)	-53%	-
Vote 3 - CORPORATE SERVICES		-	23,151	23,151	1,586	6,528	7,717	(1,189)	-15%	-
3.1 - CORPORATE SERVICES			10,785	10,785	861	3,917	3,595	322	9%	-
3.2 - TOURISM			40	40	-	-	13	(13)	-100%	-
3.3 - STRATEGIC PLANNING			5,479	5,479	265	949	1,826	(878)	-48%	-
3.4 - ENVIRONMENTAL HEALTH			5,060	5,060	310	1,232	1,687	(454)	-27%	-
3.5 - CIVIL DEFENCE			1,787	1,787	151	431	596	(165)	-28%	-
3.6 - LED			-	-	-	-	-	-	-	-
3.7 - WORK FOR WATER			-	-	-	-	-	-	-	-
3.8 - IDP			-	-	-	-	-	-	-	-
3.9 - HUMAN RESOURCES			-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	51,395	51,395	4,286	16,441	17,132	(691)	-4%	-
4.1 - ROADS			51,395	51,395	4,286	16,441	17,132	(691)	-4%	-
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	100,092	100,092	7,305	29,939	33,364	(3,425)	(0)	-
Surplus/ (Deficit) for the year	2	-	923	923	(5,761)	(169)	308	(477)	(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) - M04 October

Description	Ref	Budget Year 2020/21								
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
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	100	-	15	33	(19)	-56%	
Interest earned - external investments			1,100	1,100	65	255	367	(111)	-30%	
Interest earned - outstanding debtors			-	-	-	-	-	-		
Dividends received			-	-	-	-	-	-		
Fines, penalties and forfeits			-	-	-	-	-	-		
Licences and permits			-	-	-	-	-	-		
Agency services			4,793	4,793	394	1,578	1,598	(20)	-1%	
Transfers and subsidies			43,225	43,225	1,075	16,159	14,408	1,751	12%	
Other revenue			51,797	51,797	10	11,762	17,266	(5,503)	-32%	
Gains on disposal of PPE			-	-	-	-	-	-		
Total Revenue (excluding capital transfers and contributions)			101,015	101,015	1,544	29,769	33,672	(3,902)	-12%	-
Expenditure By Type										
Employee related costs			52,257	52,257	3,819	16,806	17,419	(613)	-4%	
Remuneration of councillors			4,941	4,941	358	1,353	1,647	(294)	-18%	
Debt impairment			-	-	-	-	-	-		
Depreciation & asset impairment			651	651	-	-	217	(217)	-100%	
Finance charges			-	-	-	-	-	-		
Bulk purchases			-	-	-	-	-	-		
Other materials			76	76	5	24	25	(1)	-6%	
Contracted services			395	395	15	39	132	(93)	-71%	
Transfers and subsidies			-	-	-	-	-	-		
Other expenditure			41,773	41,773	3,109	11,716	13,924	(2,208)	-16%	
Loss on disposal of PPE			-	-	-	-	-	-		
Total Expenditure			100,092	100,092	7,305	29,939	33,364	(3,425)	-10%	-
Surplus/(Deficit)			923	923	(5,761)	(169)	308	(477)	(0)	-
Transfers and subsidies - capital (interim 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			923	923	(5,761)	(169)	308			-
Taxation										
Surplus/(Deficit) after taxation			923	923	(5,761)	(169)	308			-
Attributable to minorities										
Surplus/(Deficit) attributable to municipality			923	923	(5,761)	(169)	308			-
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year			923	923	(5,761)	(169)	308			-

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) - M04 October										
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	-	-	-	19	(19)	-100%	-
Vote 2 - BUDGET AND TREASURY		-	60	-	-	-	20	(20)	-100%	-
Vote 3 - CORPORATE SERVICES		-	310	-	-	91	103	(12)	-12%	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	428	-	-	91	143	(52)	-36%	-
Total Capital Expenditure		-	428	-	-	91	143	(52)	-36%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	279	279	-	-	93	(93)	-100%	-
Executive and council		-	58	58	-	-	19	(19)	-100%	-
Finance and administration		-	221	221	-	-	74	(74)	-100%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	53	53	-	-	18	(18)	-100%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	53	53	-	-	18	(18)	-100%	-
Economic and environmental services		-	97	97	-	91	32	59	183%	-
Planning and development		-	97	97	-	91	32	59	183%	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	428	428	-	91	143	(52)	-36%	-
Funded by:										
National Government		-	370	370	91	91	123	(32)	-26%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	370	370	91	91	123	(32)	-26%	-
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	58	58	-	-	19	(19)	-100%	-
Total Capital Funding		-	428	428	91	91	143	(52)	-36%	-

2.4.1.6 Table C6: Monthly Budget Statement – Financial Position:

DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - M04 October

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	5,585	857	5,585	
Call investment deposits			-	-	17,264	-	
Consumer debtors			2,292	2,292	-	2,292	
Other debtors			2,292	2,292	(366)	2,292	
Current portion of long-term receivables			-	-	-	-	
Inventory			-	-	980	-	
Total current assets			-	10,169	10,169	18,735	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	10,123	8,445	10,123	
Agricultural			-	-	-	-	
Biological			-	-	-	-	
Intangible			93	93	97	93	
Other non-current assets			-	-	-	-	
Total non current assets			-	20,767	20,767	16,086	20,767
TOTAL ASSETS			-	30,937	30,937	34,821	30,937
LIABILITIES							
Current liabilities							
Bank overdraft			-	-	-	-	
Borrowing			39	39	21	39	
Consumer deposits			-	-	-	-	
Trade and other payables			8,220	8,220	7,932	8,220	
Provisions			-	-	6,986	-	
Total current liabilities			-	8,259	8,259	14,939	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	27,267	29,502	27,267
NET ASSETS	2		-	3,669	3,669	5,318	3,669
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			3,669	3,669	5,318	3,669	
Reserves			-	-	-	-	
TOTAL COMMUNITY WEALTH/EQUITY	2		-	3,669	3,669	5,318	3,669

2.4.1.7 Table C7: Monthly Budget Statement – Cash Flow:

DC5 Central Karoo - Table C7 Monthly Budget Statement - Cash Flow - M04 October

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	56,650	404	13,355	18,883	(5,528)	-29%		
Government - operating			43,265	43,265	1,075	18,520	14,422	4,098	28%		
Government - capital			-	-	-	-	-	-			
Interest			1,100	1,100	65	255	367	(111)	-30%		
Dividends			-	-	-	-	-	-			
Payments											
Suppliers and employees			(99,581)	(99,581)	(7,305)	(29,304)	(33,194)	(3,889)	12%		
Finance charges			-	-	-	-	-	-			
Transfers and Grants			-	-	-	-	-	-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	1,434	1,434	(5,761)	2,826	478	(2,348)	-491%	-
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	-	-	177	(177)	-100%		
Decrease (increase) in non-current investments			-	-			-	-			
Payments											
Capital assets			(428)	(428)	-	(91)	(143)	(52)	36%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	103	103	-	(91)	34	125	365%	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-				-			
Borrowing long term/refinancing			(36)	(36)				(12)	12	-100%	
Increase (decrease) in consumer deposits			-	-				-			
Payments											
Repayment of borrowing			-	-				-			
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	(36)	(36)	-	-	(12)	(12)	100%	-
NET INCREASE/ (DECREASE) IN CASH HELD			-	1,500	1,500	(5,761)	2,735	500			-
Cash/cash equivalents at beginning:			4,085	4,085			15,386	4,085			15,386
Cash/cash equivalents at month/year end:			-	5,585	5,585		18,121	4,585			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 - M04 October

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	149	108	1	69	-	884	-	(1)	1,211	952				
Total By Income Source	2000	149	108	1	69	-	884	-	(1)	1,211	952	-	-		
2019/20 - totals only															
Debtors Age Analysis By Customer Group															
Organs of State	2200														
Commercial	2300														
Households	2400														
Other	2500	149	108	1	69	-	884	-	(1)	1,211	952				
Total By Customer Group	2600	149	108	1	69	-	884	-	(1)	1,211	952	-	-		

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 - M04 October

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	860	75	-	(84)	-	-	-	-	851			
Auditor General	0800												
Other	0900												
Total By Customer Type	1000	860	75	-	(84)	-	-	-	-	851	-		

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 - M04 October

Description	Ref	2019/20	Budget Year		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget						
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	36,475	36,475	-	17,064	12,158	4,444	36.5%	-
Rural Roads Asset Management System			1,948	1,948	-	1,364	649	715	110.1%	
Local government Financial Management Grant			1,000	1,000	-	1,000	333			
Expanded Public Works Programme			1,262	1,262	-	316	421			
Municipal Systems Improvement			300	300	-	-	100			
Local Government Equitable Share			31,965	31,965	-	14,384	10,655	3,729	35.0%	
Provincial Government:		-	2,750	2,750	-	-	917	(133)	-14.5%	-
Western Cape Financial Management Support Grant			400	400	-	-	133	(133)	-100.0%	
Western Cape Financial Management Capacity Building Grant					-	-				
Safety Initiation Implimentation - WOSA			2,100	2,100	-	-	700			
Disaster Management					-	-				
LG Graduate Internship Grant					-	-				
Municipal Drought Support			250	250	-	-	83			
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	4,240	4,240	244	625	1,413	(788)	-55.8%	-
1% AUDIT FEE FROM NATIONAL TREASURY			3,200	3,200	-	-	1,067	(1,067)	-100.0%	
LGSETA					-	-				
LGSETA MANDATORY GRANT			40	40	-	-	13			
CHIETA			1,000	1,000	244	625	333			
Total Operating Transfers and Grants	5	-	43,465	43,465	244	17,689	14,488	3,522	24.3%	-
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
<i>Other capital transfers [insert description]</i>										
Provincial Government:		-	-	-	-	-	-	-	-	-
Fire department capacity building					-	-				
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	43,465	43,465	244	17,689	14,488	3,522	24.3%	-

3.2.2 Supporting Table SC7(1) – Grant Expenditure:

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

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	36,475	2,904	11,476	12,158	(683)	-5.6%	-
Rural Roads Asset Management System			1,948	1,948	34	68	649	(581)	-89.5%	
Local government Financial Management Grant			1,000	1,000	82	359	333	25	7.6%	
Expanded Public Works Programme			1,262	1,262	125	394	421	(27)	-6.4%	
Municipal Systems Improvement			300	300	-	-	100	(100)	-100.0%	
Local Government Equitable Share			31,965	31,965	2,664	10,655	10,655	-		
Provincial Government:		-	2,750	2,750	28	43	917	(109)	-11.9%	-
Western Cape Financial Management Support Grant			400	400	24	24	133	(109)	-82.0%	
Western Cape Financial Management Capacity Building Grant										
Safety Initiation Implementation - WOSA			2,100	2,100	4	19	700			
Disaster Management										
LG Graduate Internship Grant										
Municipal Drought Support			250	250	-	-	83			
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		-	4,240	4,240	258	404	1,413	(1,009)	-71.4%	-
1% AUDIT FEE FROM NATIONAL TREASURY			3,200	3,200	-	-	1,067	(1,067)	-100.0%	
LGSETA										
LGSETA MANDATORY GRANT			40	40	14	14	13			
CHIETA			1,000	1,000	244	390	333	57	17.0%	
Total operating expenditure of Transfers and Grants:		-	43,465	43,465	3,191	11,923	14,488	(1,801)	-12.4%	-
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Other capital transfers <i>[insert description]</i>										
Provincial Government:		-	-	-	-	-	-	-		-
Fire department capacity building										
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-		-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	43,465	43,465	3,191	11,923	14,488	(1,801)	-12.4%	-

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 - M04 October

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	36	-		36	-		
September		-	-	91	#VALUE!	36	#VALUE!	#VALUE!	#VALUE!
October		-	-	-		36	-		
November		-	-	-		36	-		
December		35	35	-		71	-		
January		-	-	-		71	-		
February		143	143	-		213	-		
March		23	23	-		236	-		
April		75	75	-		311	-		
May		-	-	-		311	-		
June		45	45	-		357	-		
Total Capital expenditure	-	357	357	91					

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 October 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 November 2020