



NGQUSHWA LOCAL MUNICIPALITY
MONTHLY BUDGET STATEMENT
FEBRUARY 2019

MONTHLY BUDGET STATEMENT FOR FEBRUARY 2019

Disclaimer: The information provided by the municipality in this report has not been audited and is made available for providing guidance.

PURPOSE

The purpose of this report is to submit the monthly budget statement of the municipal council, to the honourable mayor, as contemplated in section 71 of the Municipal Finance Management Act, Act 56 of 2003, for the month of February 2019.

BACKGROUND

The Local Government Municipal Finance Management Act, Act 56 of 2003 requires the accounting officer of a municipality to submit, to the mayor and provincial treasury, by no later than 10 working days after the end of each month, on the state of the municipality's budget reflecting inter alia the following particulars

- Actual revenue, per revenue source;
- Actual borrowings;
- Actual expenditure per vote;
- Actual capital expenditure;
- The amount of any allocations received;

1. DELIBERATIONS

An explanation is required of any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections by vote. Any material variances from the SDBIP, and any remedial or corrective steps taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

4. RECOMMENDATION

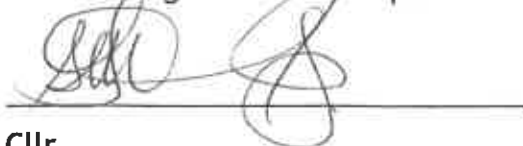
It is recommended that the mayor acknowledges receipt of the report and deal with it in accordance with the relevant prescripts of the legislation.

Yours faithfully,



MUNICIPAL MANAGER

Acknowledgement of receipt



Cllr

MAYOR

Date

15/03/2019

In-Year Report of Municipalities

Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May2009 and Schedule C.

Monthly Budget Statement February 2019

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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure 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.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

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.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, is spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

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.

Vote – one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned. . In Ngqushwa Municipality this means votes such as Executive & Council, Financial Services, Corporate Services, Public Safety etc.

Legislative Framework

This report has been prepared in terms of the following enabling legislation.

The Municipal Finance Management Act – No. 56 of 2003

Section 71: Monthly budget statements

Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations (MBRR)

Highlighted in the text box below are the relevant sections from the MBRR:

Format of monthly budget statements

28. The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

Tabling of monthly budget statements

29. The mayor may table in the municipal council a monthly budget statement submitted to the mayor in terms of section 71 (1) of the Act. If the mayor does so, the monthly budget statement must be accompanied by a mayor's report in a format set out in Schedule C.

Publication of monthly budget statements

30. (1) The monthly budget statement of a municipality must be placed on the municipality's website.

(2) The municipal manager must publish on the municipality's website any other information that the municipal council considers appropriate to facilitate public awareness of the monthly budget statement, including -

(a) summaries of monthly budget statements in alternate languages predominant in the community; and

(b) information relevant to each ward in the municipality.

Note: In the remainder of this report, the applicable sections from the MBRR, Schedule C will always be reflected in a text box as per above

PART 1 – IN-YEAR REPORT

Section 1 – Mayor's Report

1.1 In-Year Report - Monthly Budget Statement

Mayor's report

3. The mayor's report accompanying an in-year monthly budget statement must provide-

(a) a summary of whether the municipality's budget is being implemented in accordance with the service delivery and budget implementation plan and any service delivery agreements with municipal entities;

(b) a summary of any financial problems or risks facing the municipality or any such entity; and

(c) any other information considered relevant by the mayor.

1.1.1 Implementation of budget in terms of SDBIP

There are no deviations from the Service Delivery and Budget Implementation Plan and the budget is implemented according to the plan. The municipality is not facing any financial risk at the present moment.

1.1.2 Other information

The monthly budget statement has been prepared in terms of the Municipal Budget and Reporting Regulations.

Additional clarity on the content of this report or answers to any questions posed will be given at the next Finance Standing Committee or Management meeting.

Section 2 - Resolutions

Resolutions

5. If an in-year report is tabled in the municipal council, resolutions dealing with at least the following matters must be prepared and presented as part of the documentation, as may be relevant -

- (a) noting the monthly budget statement and any supporting documents;*
- (b) noting the quarterly report on the implementation of the budget and the financial affairs for the municipality referred to in section 52(d) of the Act;*
- (c) noting the mid-year budget and performance assessment referred to in section 72 of the Act;*
- (d) noting the in-year reports of any municipal entities; and*
- (e) any other resolutions that may be required.*

IN-YEAR REPORTS 2018/2019

RECOMMENDATION:

That the Municipal Manager/Mayor notes the monthly budget statement and supporting documentation.

Section 3 – Executive Summary

3 Section 3 – Executive Summary

Executive summary

6. The executive summary of a monthly budget statement must cover at least the following -

(a) the municipality's consolidated performance, in relation to both the approved annual budget and the latest approved adjustments budget, with specific reference to the financial and non-financial impact of the performance of municipal entities on the consolidated performance making reference to the in-year report tables, charts and explanations;

(b) any material variances from the service delivery and budget implementation plan; and

(c) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's budget.

and note

12. If a municipality has municipal entities, the information in items 6 and 7 must be consolidated covering the parent municipality's monthly budget statement and municipal entities monthly budget statements.

3.1 Introduction

As was said in the Mayor's report, the monthly budget statement has been prepared in terms of the Municipal Budget and Reporting Regulations,

3.2 Consolidated performance

3.2.1 Against annual budget

Revenue by Source

EC126 Nggushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

EC120 Ngusshwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February										
Description	Ref	2017/18	Budget Year 2018/19							
		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		25,061	28,780	25,468	434	29,615	19,187	10,428	54%	
Service charges - electricity revenue				-				-		
Service charges - water revenue				-				-		
Service charges - sanitation revenue				-				-		
Service charges - refuse revenue		759	755	604	67	537	504	33	7%	
Service charges - other				-				-		
Rental of facilities and equipment		156	572	652	31	121	381	(260)	-68%	
Interest earned - external investments		755	2,702	2,772		616	1,801	(1,185)	-66%	
Interest earned - outstanding debtors		1,985	4,343	3,986	253	1,679	2,895	(1,216)	-42%	
Dividends received				-				-		
Fines, penalties and forfeits		450	3,900	5,420	36	164	2,600	(2,436)	-94%	
Licences and permits		1,715	2,249	2,249	154	1,118	1,499	(383)	-26%	
Agency services		310	509	509	39	266	339	(73)	-22%	
Transfers and subsidies		135,032	95,935	96,057	14	63,415	63,957	(541)	-1%	
Other revenue		1,078	4,468	4,620	27	310	2,979	(2,669)	-90%	
Gains on disposal of PPE				-				-		
Total Revenue (excluding capital transfers and contributions)		167,320	144,213	142,316	1,060	97,839	96,142	1,697	2%	-

Service charges levied as at 28 February 2019 are as follows;

Property rates

Monthly property rates and service charges were billed to consumers and reflect as accrued income in the Statement of Financial Performance. Property rates are at R 29 614 907 with 74% over billing variance when compared to the year to date budget. This is because of the customers that are billed annually and these customers were billed in the month of July 2018. The adjusted budget for rates has been reduced due to compliance to the property rates Act section 34.

Service charges

Service charges on refuse service charges are R 402 838 or 33% over billed than the year to date budget.

And Rental of facilities are at -72 % under billed with the year to date budget. The municipality has over budgeted on rental of facilities.

The municipality has under collected on other own revenue with 89 % compared to year to date budget. The other own revenue year to date collection is low, due restricted or no activities in Other revenue - Cemetery fees, Tender fees, Building Plans, Pound fees)

Expenditure by Type

Expenditure By Type									
Employee related costs	58,806	66,807	66,119	5,406	44,430	43,412	1,018	2%	
Remuneration of councillors	9,521	9,438	8,483	722	5,925	5,655	270	5%	
Debt impairment	545	2,170	1,670			1,446	(1,446)	-100%	
Depreciation & asset impairment	33,468	15,053	10,053			10,035	(10,035)	-100%	
Finance charges	886	2,100	-		119	1,400	(1,281)	-91%	
Bulk purchases		-	-			-	-		
Other materials		1,911	2,433	27	2,005	1,274	731	57%	
Contracted services	18,254	23,482	32,056	1,532	21,204	15,655	5,549	36%	
Transfers and subsidies	-	25	50			17	(17)	-100%	
Other expenditure	28,239	16,893	18,543	1,036	7,898	11,262	(3,364)	-30%	
Loss on disposal of PPE	(3,538)	-	-			-	-		
Total Expenditure	146,173	137,881	138,407	8,723	81,582	90,157	(8,575)	-10%	-

The actuals expenditure for to debt impairment will be reported annually at the end of financial year, depreciation - the asset section is busy with integrating the final fixed asset register in the financial system. The budget included the interest on proposed leasing of assets. Other expenditure shows an under expenditure of 30% compared to year to date this because the internal management decision to prioritise the Capital infrastructure projects funded by conditional grants, the operating projects will commence once the funds have been reimbursed, when the next tranche of grants has been received.

Capital Expenditure

EC126 Ngqushwa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February

Vote Description	Ref	2017/18	Budget Year 2018/19						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
Total Capital Expenditure		-	32,681	24,826	2,130	26,913	18,617	10,296	62%
Capital Expenditure - Functional Classification									
<i>Governance and administration</i>		59,619	4,318	2,235	61	1,628	1,490	137	9%
Executive and council			10	10			7	(7)	-100%
Finance and administration		59,619	4,306	2,225	61	1,626	1,483	143	10%
Internal audit									
<i>Community and public safety</i>		-	3,400	2,064	32	485	1,376	(891)	-65%
Community and social services			1,500	564	32	485	376	109	29%
Sport and recreation			1,900	1,500			1,000	(1,000)	-100%
Public safety									
Housing									
Health									
<i>Economic and environmental services</i>		30,241	19,631	20,628	1,682	20,546	13,752	6,796	49%
Planning and development			15	15			10	(10)	-100%
Road transport		30,241	19,616	20,613	1,682	20,546	13,742	(12,060)	-88%
Environmental protection									
<i>Trading services</i>		3,900	5,332	5,332	354	4,254	3,555	699	20%
Energy services		3,900	5,332	5,332	354	4,254	3,555	699	20%
Water management									
Waste water management									
Waste management									
<i>Other</i>									
Total Capital Expenditure - Functional Classification	3	83,759	32,681	30,258	2,130	26,913	20,172	6,741	33%
Funded by:									
National Government		34,141	26,348	26,348	2,056	25,287	17,565	7,722	44%
Provincial Government									
District Municipality		47,436							
Other transfers and grants									
Transfers recognised - capital		81,577	26,348	26,348	2,068	25,287	17,565	7,722	44%
Public contributions & donations	5								
Borrowing	6								
Internally generated funds		12 183	6,333	3,910	61	1,626	2,806	(980)	-38%
Total Capital Funding		83,759	32,681	30,258	2,130	26,913	20,172	6,741	33%

The expenditure for the month of February 2019 was R 2 129 641 year to date expenditure is R 26 913 161 with 33 % over variance Compared to year to date of the total annual capital budget amount. This month expenditure comprises of:

- the Construction Peddie Town Streets R 989,330.59
- the Construction Qugqwala Streets R 67,636.41
- the Construction Runlets Streets R 31,756.53
- the Construction Wesley Streets R 173,247.75
- The electrification of household project R R354,233.30
- And other fixed assets (office equipment, tools etc.) R 61,456
- The total expenditure above is funded form the Municipal Infrastructure Grant, Energy grant and Municipal own revenue

3.4 Conclusion

The Municipality ensures expenditure limits are on target and that there will be no unspent at the end of the financial year

Section 4 – In-year budget statement tables

4.1 Monthly budget statements

In-year budget statement tables

9. If a municipality does not have any municipal entities, the in-year budget statement tables must consist of the tables in the First Attachment to this Schedule, namely -

- (a) Table C1 s71 Monthly Budget Statement Summary
- (b) Table C2 Monthly Budget Statement - Financial Performance (standard classification)
- (c) Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)
- (d) Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)
- (e) Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)
- (f) Table C6 Monthly Budget Statement - Financial Position
- (g) Table C7 Monthly Budget Statement - Cash Flow

and note

11. Supporting information, charts and explanations of trends and anomalies must be presented for each table where such presentation will assist with understanding the information contained in the tables.

The tables included in section 4 to the end of this report are from the 'C Schedule Monthly Budget Statement' legislated as part of the MBRR.

4.1 Monthly budget tables

The tables included in section 4 to the end of this report are from the 'C Schedule Monthly Budget Statement' legislated as part of the MBRR.

EC126 Ngqushwa - Table C1 Monthly Budget Statement Summary - M08 February

Description	2017/18	Budget Year 2018/19							
	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	25,081	28,780	25,468	434	28,615	16,979	12,636	74%	-
Service charges	759	755	604	67	537	403	134	33%	-
Investment revenue	755	2,702	2,772	-	616	1,848	(1,232)	-67%	-
Transfers and subsidies	135,032	95,935	96,057	14	63,415	64,038	(622)	-1%	-
Other own revenue	5,693	16,041	17,418	544	3,656	11,611	(7,954)	-69%	-
Total Revenue (excluding capital transfers and contributions)	167,320	144,213	142,316	1,060	97,839	94,878	2,962	3%	-
Employee costs	58,806	66,807	65,119	5,406	44,430	43,412	1,018	2%	-
Remuneration of Councillors	9,521	9,439	8,463	722	5,025	5,655	270	5%	-
Depreciation & asset impairment	33,458	15,053	10,053	-	-	10,035	(10,035)	-100%	-
Finance charges	886	2,100	-	-	119	1,400	(1,281)	-91%	-
Materials and bulk purchases	-	1,911	2,433	27	2,005	1,274	731	57%	-
Transfers and subsidies	-	25	50	-	-	17	(17)	-100%	-
Other expenditure	43,500	42,545	52,269	2,568	29,102	28,363	739	3%	-
Total Expenditure	146,173	137,881	138,407	8,723	81,582	90,157	(8,575)	-10%	-
Surplus/(Deficit)	21,148	6,333	3,910	(7,663)	16,257	4,720	11,537	244%	-
Transfers and subsidies - capital (monetary alloc	35,733	26,348	26,348	-	-	17,565	(17,565)	-100%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	56,880	32,681	30,258	(7,663)	16,257	22,286	(6,029)	-27%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	56,880	32,681	30,258	(7,663)	16,257	22,286	(6,029)	-27%	-
Capital expenditure & funds sources									
Capital expenditure	-	32,681	24,926	2,130	26,913	16,617	10,296	62%	-
Capital transfers recognised	81,577	26,348	26,348	2,068	25,287	17,565	7,722	44%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	12,183	6,333	3,910	61	1,626	2,606	(980)	-38%	-
Total sources of capital funds	93,759	32,681	30,258	2,130	26,913	20,172	6,741	33%	-
Financial position									
Total current assets	30,498	34,146	34,146	-	45,198	-	-	-	34,146
Total non current assets	279,029	210,439	208,016	-	293,208	-	-	-	210,439
Total current liabilities	20,042	22,346	22,346	-	22,005	-	-	-	22,346
Total non current liabilities	12,806	3,191	3,191	-	12,806	-	-	-	3,191
Community wealth/Equity	276,680	218,048	183,022	-	303,595	-	-	-	219,048
Cash flows									
Net cash from (used) operating	35,964	78,864	78,864	(2,676)	25,116	52,576	27,460	52%	-
Net cash from (used) investing	(35,726)	(63,811)	(63,811)	(626)	(19,887)	(42,540)	(22,654)	53%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	1,504	16,253	16,253	-	6,733	11,235	4,502	40%	1,504
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	1,253	599	400	386	(25)	261	5,406	16,901	25,181
Creditors Age Analysis									
Total Creditors	646	220	-	85	-	60	-	-	1,011

4.1.2 Table C2: Monthly Budget Statement - Financial

EC126 Ngqushwa - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

Description	Ref	2017/18	Budget Year 2018/19							
		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>		-	162,572	159,177	755	95,350	106,118	(10,768)	-10%	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	162,572	159,177	755	95,350	106,118	(10,768)	-10%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	586	637	20	434	425	9	2%	-
Community and social services		-	586	617	20	434	412	23	5%	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	20	-	-	13	(13)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	6,592	8,190	217	1,505	5,480	(3,955)	-72%	-
Planning and development		-	91	209	-	21	139	(118)	-85%	-
Road transport		-	6,501	7,981	217	1,484	5,321	(3,837)	-72%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	811	660	68	550	440	110	25%	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	56	56	1	13	37	(24)	-85%	-
Waste management		-	755	604	67	537	403	134	33%	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	170,581	168,664	1,060	97,839	112,443	(14,604)	-13%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	94,311	95,287	5,238	50,318	63,525	(13,207)	-21%	-
Executive and council		-	28,080	32,711	1,674	17,537	21,808	(4,270)	-20%	-
Finance and administration		-	64,163	62,578	3,430	31,663	41,717	(10,054)	-24%	-
Internal audit		-	2,068	-	134	1,117	-	1,117	#DIV/0!	-
<i>Community and public safety</i>		-	5,390	14,101	363	3,346	3,375	(29)	-1%	-
Community and social services		-	2,127	2,173	128	1,318	1,449	(131)	-9%	-
Sport and recreation		-	994	1,626	135	1,099	1,084	15	1%	-
Public safety		-	-	8,039	-	-	-	-	-	-
Housing		-	2,269	1,263	99	929	842	87	10%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	19,881	7,666	1,504	13,008	5,110	7,898	155%	-
Planning and development		-	6,061	4,080	334	3,134	2,726	407	15%	-
Road transport		-	13,800	3,576	1,170	9,874	2,384	7,491	314%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	15,681	17,480	1,329	12,188	11,654	535	5%	-
Energy sources		-	4,897	4,754	350	3,333	3,170	163	5%	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	10,784	12,726	979	8,855	8,484	371	4%	-
Other		-	2,616	3,873	289	2,722	2,582	140	5%	-
Total Expenditure - Functional	3	-	137,661	138,407	8,723	81,582	85,245	(4,663)	-5%	-
Surplus/ (Deficit) for the year		-	32,919	30,257	(7,663)	16,257	26,198	(9,940)	-38%	-

4.1.3 Table C3: Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

EC126 Ngqushwa - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Table 03 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - 2018 February										
Vote Description	Ref	2017/18	Budget Year 2018/19							
		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 - Council General		-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	162,572	159,177	755	95,350	106,118	(10,768)	-10.1%	-
Vote 3 - Budget and Treasury		-	586	637	20	434	425	9	2.2%	-
Vote 4 - Corporate Services		-	-	660	-	-	-	-	-	-
Vote 5 - Community & Social Services		-	6,501	-	217	1,484	-	1,484	#DIV/0!	-
Vote 6 - Technical services		-	-	-	-	-	-	-	-	-
Vote 7 - other		-	91	8,190	-	23	5,480	(5,437)	-99.6%	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	755	-	67	537	-	537	#DIV/0!	-
Vote 12 - [NAME OF VOTE 12]		-	56	-	1	11	-	11	#DIV/0!	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	170,561	168,864	1,060	97,839	112,003	(14,164)	-12.6%	-
Expenditure by Vote	1									
Vote 1 - Council General		-	28,080	32,711	1,674	17,537	21,808	(4,270)	-19.6%	-
Vote 2 - Municipal Manager		-	64,163	62,576	3,430	31,663	41,717	(10,054)	-24.1%	-
Vote 3 - Budget and Treasury		-	2,127	14,101	128	1,318	9,401	(8,083)	-86.0%	-
Vote 4 - Corporate Services		-	4,897	-	350	3,333	-	3,333	#DIV/0!	-
Vote 5 - Community & Social Services		-	13,800	-	1,170	9,874	-	9,874	#DIV/0!	-
Vote 6 - Technical services		-	2,618	3,873	289	2,722	2,582	140	5.4%	-
Vote 7 - other		-	6,081	7,666	334	3,134	5,110	(1,977)	-38.7%	-
Vote 8 - [NAME OF VOTE 8]		-	994	-	135	1,099	-	1,099	#DIV/0!	-
Vote 9 - [NAME OF VOTE 9]		-	2,269	-	99	929	-	929	#DIV/0!	-
Vote 10 - [NAME OF VOTE 10]		-	2,068	-	134	1,117	-	1,117	#DIV/0!	-
Vote 11 - [NAME OF VOTE 11]		-	10,784	17,480	979	8,855	11,854	(2,798)	-24.0%	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	137,681	136,407	8,723	81,582	92,271	(10,689)	-11.6%	-
Surplus/ (Deficit) for the year	2	-	32,880	30,258	(7,663)	16,257	19,732	(3,474)	-17.6%	-

4.1.4 Table C4: Monthly Budget Statement

EC126 Ngqushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

EC 12: Ngqushwa - Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February										
Description	Ref	2017/18	Budget Year 2018/19							
		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		25,081	28,760	25,468	434	29,815	16,979	12,636	74%	
Service charges - electricity revenue				-			-	-		
Service charges - water revenue				-			-	-		
Service charges - sanitation revenue				-			-	-		
Service charges - refuse revenue		759	755	604	57	537	403	134	33%	
Service charges - other				-			-	-		
Rental of facilities and equipment		158	572	662	31	121	435	(314)	-72%	
Interest earned - external investments		755	2,702	2,772		618	1,848	(1,232)	-67%	
Interest earned - outstanding debtors		1,985	4,343	3,986	258	1,679	2,657	(978)	-37%	
Dividends received				-			-	-		
Fines, penalties and forfeits		450	3,900	5,400	35	184	3,600	(3,436)	-95%	
Licences and permits		1,715	2,249	2,249	154	1,116	1,499	(383)	-26%	
Agency services		310	509	509	39	266	339	(73)	-22%	
Transfers and subsidies		135,032	95,935	96,057	14	63,415	64,038	(622)	-1%	
Other revenue		1,078	4,468	4,620	27	310	3,080	(2,770)	-90%	
Gains on disposal of PPE				-			-	-		
Total Revenue (excluding capital transfers and contributions)		167,320	144,213	142,316	1,080	97,839	94,878	2,962	3%	-
Expenditure By Type										
Employee related costs		58,806	66,807	65,119	5,406	44,430	43,412	1,018	2%	
Remuneration of councillors		9,521	9,439	8,483	722	5,925	5,655	270	5%	
Debt impairment		545	2,170	1,670			1,445	(1,446)	-100%	
Depreciation & asset impairment		33,458	15,053	10,053		-	10,035	(10,035)	-100%	
Finance charges		686	2,100	-		119	1,460	(1,281)	-91%	
Bulk purchases			-	-			-	-		
Other materials			1,911	2,433	27	2,005	1,274	731	57%	
Contracted services		18,254	23,482	32,056	1,532	21,204	15,655	5,549	35%	
Transfers and subsidies		-	25	50			17	(17)	-100%	
Other expenditure		26,239	16,893	15,543	1,035	7,898	11,262	(3,364)	-30%	
Loss on disposal of PPE		(3,536)	-	-			-	-		
Total Expenditure		146,173	137,681	138,407	8,723	81,582	80,157	(8,575)	-10%	-
Surplus/(Deficit)		21,148	6,333	3,910	(7,663)	16,257	4,720	11,537	0	-
Transfers and subsidies - capital (in-kind - all)										
(National / Provincial and District)		35,733	26,348	26,348	-	-	17,565	(17,565)	(0)	
(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		56,880	32,681	30,258	(7,663)	16,257	22,286			-
Taxation										
Surplus/(Deficit) after taxation		56,880	32,681	30,258	(7,663)	16,257	22,286			-
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		56,880	32,681	30,258	(7,663)	16,257	22,286			-
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		56,880	32,681	30,258	(7,663)	16,257	22,286			-

4.1.5 Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

EC126 Nggushwa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
Governance and administration		59,619	4,318	2,235	61	1,626	1,490	137	9%	
Executive and council			10	10			7	(7)	-100%	
Finance and administration		59,619	4,308	2,225	61	1,626	1,483	143	10%	
Internal audit										
Community and public safety		-	3,400	2,064	32	485	1,376	(891)	-65%	
Community and social services			1,500	584	32	495	376	109	29%	
Sport and recreation			1,900	1,500			1,090	(1,000)	-100%	
Public safety										
Housing										
Health										
Economic and environmental services		30,241	19,631	20,628	1,682	20,548	13,752	6,796	49%	
Planning and development			15	15			10	(10)	-100%	
Road transport		30,241	19,616	20,613	1,682	20,548	13,742	(12,060)	-88%	
Environmental protection										
Trading services		3,900	5,332	5,332	354	4,254	3,555	699	20%	
Energy services		3,900	5,332	5,332	354	4,254	3,555	699	20%	
Water management										
Waste water management										
Waste management										
Other										
Total Capital Expenditure - Functional Classification	3	93,759	32,681	30,258	2,130	26,913	20,172	6,741	33%	-
Funded by:										
National Government		34,141	26,348	26,348	2,068	25,287	17,565	7,722	44%	
Provincial Government										
District Municipality		47,436								
Other transfers and grants										
Transfers recognised - capital		81,577	26,348	26,348	2,068	25,287	17,565	7,722	44%	
Public contributions & donations	5									
Borrowing	6									
Internally generated funds		12,183	6,333	3,910	61	1,626	2,606	(980)	-38%	
Total Capital Funding		93,759	32,681	30,258	2,130	26,913	20,172	6,741	33%	-

4.1.6 Table C6: Monthly Budget Statement - Financial Position

EC126 Ngqushwa - Table C6 Monthly Budget Statement - Financial Position - M08 February

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1,504	1,266	1,266	8,710	1,266
Call investment deposits		-	-	-	-	-
Consumer debtors		5,257	19,546	19,546	6,820	19,546
Other debtors		13,488	9,988	9,988	19,418	9,988
Current portion of long-term receivables		397	-	-	397	-
Inventory		9,853	3,346	3,346	9,853	3,346
Total current assets		30,498	34,146	34,146	45,198	34,146
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		28,003	24,058	24,058	28,003	24,058
Investments in Associate		-	-	-	-	-
Property, plant and equipment		250,155	185,133	182,980	264,554	185,133
Agricultural		-	-	-	-	-
Biological		-	-	-	-	-
Intangible		871	1,248	979	650	1,248
Other non-current assets		0	-	-	0	-
Total non current assets		279,029	210,439	208,016	293,208	210,439
TOTAL ASSETS		309,528	244,585	242,162	338,406	244,585
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	-	-
Consumer deposits		-	-	-	-	-
Trade and other payables		20,042	22,346	22,346	22,005	22,346
Provisions		-	-	-	-	-
Total current liabilities		20,042	22,346	22,346	22,005	22,346
Non current liabilities						
Borrowing		-	-	-	-	-
Provisions		12,806	3,191	3,191	12,806	3,191
Total non current liabilities		12,806	3,191	3,191	12,806	3,191
TOTAL LIABILITIES		32,848	25,537	25,537	34,811	25,537
NET ASSETS	2	276,680	219,048	216,626	303,595	219,048
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		276,680	219,048	183,022	303,595	219,048
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	276,680	219,048	183,022	303,595	219,048

MONTHLY BUDGET STATEMENT FOR FEBRUARY 2019

Disclaimer: The information provided by the municipality in this report has not been audited and is made available for providing guidance.

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

EC126 Ngqushwa - Table C7 Monthly Budget Statement - Cash Flow - M08 February

Description	Ref	2017/18	Budget Year 2018/19							
		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		40,288	58,798	58,798	1,254	28,910	38,199	(10,289)	-26%	
Service charges		889	1,511	1,511	57	522	1,007	(485)	-48%	
Other revenue		301	12,054	12,054	298	14,178	8,038	6,142	78%	
Government - operating		79,173	95,935	95,935	458	61,817	63,957	(2,139)	-3%	
Government - capital		34,141	26,348	26,348	2,000	19,936	17,565	2,371	13%	
Interest		754	7,045	7,045	57	782	4,697	(3,915)	-83%	
Dividends		-	-	-	-	-	-	-	-	
Payments										
Suppliers and employees		(119,580)	(120,703)	(120,703)	(6,800)	(101,030)	(90,469)	20,561	-26%	
Finance charges		-	(2,100)	(2,100)	-	-	(1,400)	(1,400)	100%	
Transfers and Grants		-	(25)	(25)	-	-	(17)	(17)	100%	
NET CASH FROM/(USED) OPERATING ACTIVITIES		35,964	78,864	78,864	(2,676)	25,116	52,576	27,460	52%	-
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		944	-	-	-	-	-	-	-	
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-	-	
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments		-	(31,130)	(31,130)	-	-	(20,753)	20,753	-100%	
Payments										
Capital assets		(36,670)	(32,681)	(32,681)	(629)	(19,887)	(21,787)	(1,900)	9%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		(35,726)	(63,811)	(63,811)	(629)	(19,887)	(42,540)	(22,654)	53%	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		238	15,053	15,053	(3,302)	5,229	10,035			-
Cash/cash equivalents at beginning:		1,266	1,200	1,200	-	1,504	1,200			1,504
Cash/cash equivalents at month/year end:		1,504	16,253	16,253	-	6,733	11,235			1,504

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Debtors' analysis

EC125 Ngqushwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

EC126 Ngqahwa - Supporting Table SCS Monthly Budget Statement - aged debtors - N06 February														
Description		NT Code	Budget Year 2018/19								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	121-180 Days	181-180 Days	181 Days-1 Yr	Over 1Yr				Total
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	648	156	145	134	(20)	49	4,212	3,448	14,765	13,817	-	-
Receivables from Exchange Transactions - Waste Water Management		1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management		1600	130	26	28	25	-	28	147	814	1,188	1,015	-	-
Receivables from Exchange Transactions - Property Rental Debts		1700	18	6	-	-	-	-	(6)	119	143	119	-	-
Interest on Asset Debtor Accounts		1810	492	410	37	224	-	112	1,045	5,521	9,078	7,979	-	-
Receivable unauthorised, irregular, useless and wasteful expenditure		1820	-	-	-	-	-	-	-	-	-	-	-	-
Other		1830	-	-	-	-	-	-	-	-	-	-	-	-
Total By Income Source		2000	1,283	588	408	388	(20)	281	5,404	15,901	26,181	22,928	-	-
2017/18 - totals only														
Debtors Age Analysis By Customer Group														
Organ of State		2200	-	-	-	-	-	-	-	-	-	-	-	-
Commercial		2300	-	-	-	-	-	-	-	-	-	-	-	-
Households		2400	-	-	-	-	-	-	-	-	-	-	-	-
Other		2500	118	59	47	45	1	42	644	3,988	4,887	4,738	-	-
Total By Customer Group		2600	118	59	47	45	1	42	644	3,988	4,887	4,738	-	-

Debtors' age analysis

The age analysis for debtors only includes those amounts which are current or past due. The debtors' age analysis includes pro-rata billing up to the current month

Section 6 – Creditors' analysis

6.1 Supporting Table SC4

Table SC4 reflects the trade creditors and other creditors.

EC126 Ngqushwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

2018/19 Request - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February											
Description	NT Code	Budget Year 2018/19									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
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	646	220	-	85	-	60	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	1,011	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	646	220	-	85	-	60	-	-	1,011	-

Section 7 – Investment portfolio analysis

7.1 Supporting Table SC5

EC126 Ngqushwa - Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M08 February

Investments by maturity Name of Institution & Investment ID	Ref	Period of Investment	Type of Investment	Expiry date of Investment	Accrued Interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands		Yrs/Months							
Municipality									
62414349763		Months	Short-term	30-06-2019	-		485	539	1,023
74773942899		Months	Short-term	30-06-2019	-			3,023	3,023
Municipality sub-total					-		485	3,562	4,046
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				-		485	3,562	4,046

7.2 Additional Information

The Statement of financial position includes the following:

Item	R thousands
Cash	2 686 720
Call investment /deposits Investments	4 046 120.47
TOTAL	6 732 840.03

The following commitments exist against these available resources:

Item	R thousands
Unspent grants	- 1 871 458.45
Unpaid creditors	1 010 540.00
TOTAL	-860 918.45

Section 8 – Allocation and grant receipts and expenditure

8.1 Supporting Table SC6 – Grant receipts

EC126 Ngqushwa - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants	1,2									
National Government:		79,083	80,488	80,488	444	61,350	53,659	6,382	11.9%	-
Local Government Equitable Share		73,615	75,488	75,468		56,818	50,325	6,291	12.5%	
Finance Management		2,345	2,415	1,483		2,415	987			
EPWP Incentive		1,531	1,480	2,415	444	1,480	1,610			
Provincial Government:		1,592	1,106	1,106		839	737	101	13.7%	-
		350	369	400	-	400	267	133	50.0%	-
Sport and Recreation		350	369	400	-	400	267	133	50.0%	-
Other transfers and grants (insert description)										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		90	78	15,168	14	168	112	56	50.0%	-
LG Seta		90	78	168	14	168	112	56	50.0%	-
Education Seta				15,000						
Total Operating Transfers and Grants	5	79,523	80,935	98,057	458	61,917	54,038	8,581	12.2%	-
Capital Transfers and Grants										
National Government:		34,140	26,348	26,348	2,000	21,268	17,565	3,703	21.1%	-
Municipal Infrastructure Grant (MIG)		30,241	21,016	21,016	-	15,936	14,011	1,926	13.7%	-
INEP		3,899	5,332	5,332	2,000	5,332	3,555	1,777	50.0%	-
Provincial Government:		-	-	-	-	-	-	-	-	-
(insert description)										
District Municipality:		-	-	-	-	-	-	-	-	-
(insert description)										
Other grant providers:		-	-	-	-	-	-	-	-	-
(insert description)										
Total Capital Transfers and Grants	5	34,140	26,348	26,348	2,000	21,268	17,565	3,703	21.1%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	113,663	107,283	122,405	2,458	83,186	71,603	10,284	14.4%	-

8.2 Supporting Table SC7 (1) – Grant expenditure

EC126 Ngqushwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

EC126 Ngqushwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February										
Description	Ref	2017/18	Budget Year 2018/19							
		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:										
Local Government Equitable Share		79,083	80,488	80,488	6,800	41,681	33,659	(11,979)	-22.3%	-
Finance Management		73,615	75,488	75,488	6,359	39,094	50,325	(11,231)	-22.3%	-
EPWP Incentive		2,345	2,415	1,480	226	930	987	(57)	-5.7%	-
		1,531	1,480	2,415	117	965	1,610	(645)	-40.0%	-
							-	-	-	-
							-	-	-	-
							-	-	-	-
PMU		1,592	1,106	1,106	97	691	737	(46)	-8.3%	-
Provincial Government:		350	369	400	-	95	267	(172)	-64.4%	-
Sport and Recreation		350	369	400	-	95	267	(172)	-64.4%	-
Other transfers and grants (insert description)										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:										
		80	78	15,168	-	-	10,112	(10,112)	-100.0%	-
LG Sets				15,000			10,000	(10,000)	-100.0%	-
		90	78	168			112	(112)	-100.0%	-
Total operating expenditure of Transfers and Grants:		79,523	80,935	96,057	6,800	41,778	64,038	(22,262)	-34.8%	-
Capital expenditure of Transfers and Grants										
National Government:										
Municipal Infrastructure Grant (MIG)		34,140	26,348	26,348	2,068	25,287	17,565	7,722	44.0%	-
		30,241	21,016	21,016	1,714	21,033	14,011	7,022	50.1%	-
							-	-	-	-
							-	-	-	-
							-	-	-	-
INEP		3,899	5,332	5,332	354	4,254	3,565	699	19.7%	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		34,140	26,348	26,348	2,068	25,287	17,565	7,722	44.0%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		113,663	107,283	122,405	8,868	67,063	81,603	(14,541)	-17.8%	-

Supporting Table SC7 (2) – Expenditure against approved rollovers

Not yet applicable

8.3 Comments

These tables do not reflect the opening unspent balances or unpaid balances on the individual grants.

For this reason a grant may show a receipt and no expenditure where the unpaid balance has subsequently been settled.

Alternatively a grant may show expenditure and no receipt where an unspent balance has been authorised for expenditure in the subsequent period.

The unspent grant balances as at 28 February 2019 are:

Grant	R thousands
Municipal Infrastructure Grant (MIG)	-4 949 056.17
Financial Management Grant (FMG)	1 484 952.72
Integrated Electrification Municipal Programme	1 077 922.30
Extended Public Works Programme Grant (EPWP)	514 722.70
Unspent grant balances	-1 871 458.45

Section 8 – Allocation and grant receipts and expenditure

Allocation and grant receipts and expenditure

16. The disclosure on allocation and grant receipts and expenditure must reflect particulars of -

- (a) allocation and grant receipts and expenditure against each allocation or grant; and*
- (b) any change in allocations as a result of -*
 - (i) an adjustments budget of the national or provincial government or district or local municipality; and*
 - (ii) changes in grants from other providers*

Section 9 – Expenditure on councillor and board members Allowances and employee benefits

9.1 Supporting Table SC8

EC126 Ngqushwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February

2017/18 Supporting Table SA's Monthly Budget Statement - councillor and staff benefits - M06 February										
Summary of Employee and Councillor remuneration R thousands	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		8,623	8,454	7,498	560	4,106	4,998	(893)	-18%	
Pension and UIF Contributions		9	-	-	15	106	-	106	#DIV/0!	
Medical Aid Contributions		-	-	-	3	20	-	20	#DIV/0!	
Motor Vehicle Allowance		259	353	353	59	359	235	124	53%	
Cellphone Allowance		7	633	633	85	612	422	191	45%	
Housing Allowances		-	-	-	-	-	-	-	-	
Other benefits and allowances		623	-	-	-	-	-	-	-	
Sub Total - Councillors		9,521	9,439	8,483	722	5,203	5,655	(452)	-8%	
% increase	4		-0.9%	-10.9%						-
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3,207	4,642	4,642	429	3,424	3,095	329	11%	
Pension and UIF Contributions		-	-	-	-	-	-	-	-	
Long service awards		-	-	-	-	-	-	-	-	
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	
Sub Total - Senior Managers of Municipality	2	3,207	4,642	4,642	429	3,424	3,095	329	11%	
% increase	4		44.7%	44.7%						-
Other Municipal Staff										
Basic Salaries and Wages		42,672	52,947	51,253	3,763	30,835	34,169	(3,334)	-10%	
Pension and UIF Contributions		5,756	415	415	592	4,643	277	4,367	1579%	
Medical Aid Contributions		2,149	2,054	2,054	237	1,740	1,369	370	27%	
Overtime		323	454	454	67	289	303	(13)	-4%	
Performance Bonus		-	3,347	3,346	-	-	2,231	(2,231)	-100%	
Motor Vehicle Allowance		2,659	1,888	1,888	231	2,037	1,259	779	62%	
Cellphone Allowance		326	-	-	29	244	-	244	#DIV/0!	
Housing Allowances		196	183	183	-	62	122	(61)	-50%	
Other benefits and allowances		448	-	-	2	234	-	234	#DIV/0!	
Payments in lieu of leave		655	765	765	-	1,113	510	603	118%	
Long service awards		415	112	112	5	141	74	67	90%	
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	
Sub Total - Other Municipal Staff	2	55,599	62,165	60,470	4,926	41,338	40,313	1,025	3%	
% increase	4		11.8%	8.9%						-
Total Parent Municipality		68,328	76,247	73,595	6,077	49,965	49,063	902	2%	

Section 10 – Material variances to the SDBIP

Material variances to the service delivery and budget implementation plan

18. In the monthly financial statements provide a disclosure on monthly targets for revenue, expenditure and cash flow that includes a consolidated projection of cash flow for the budget year setting out receipts by source and payments by type, per month for the budget year with actual for past months and revised forecasts for future months, and shown in total for the two years following the budget year.

and note

21. Where (17), (18) and (19) indicate a material variance between the actual year-to-date performance compared with the monthly or quarterly targets from the service delivery and budget implementation plan, provide explanations for such variances and indicate the likely impact on annual performance agreements of the municipal manager and senior managers.

10.1 Over view

The SDBIP is essentially the municipality's business plan and is an integral part of the financial planning, implementation and measurement process. The SDBIP functions as the connection between the strategic plan "IDP", budget and management performance agreements, and includes detailed information on how the budget will be implemented, by means of forecast cash flows, service delivery targets and performance indicators.

Section 11 – Parent municipality financial performance

Parent municipality financial performance

22. If the municipality has municipal entities, provide the monthly statement of financial performance for the parent municipality only.

11.1 Supporting Table SC10

Not applicable to Ngqushwa Municipality.

Section 12 – Municipal entity summary

Municipal entity summary

23. If the municipality has municipal entities, provide a summary for all entities of revenue, operating expenditure and capital expenditure.

12.1 Supporting Table SC11

Not applicable to Ngqushwa Municipality

Section 13 – Capital programme performance

Capital programme performance

24. The disclosure on capital programme performance must include at least -

- (a) capital expenditure by month; and
- (b) a summary of capital expenditure by asset class and sub-class.

13.1 Supporting Table SC12

EC126 Ngqushwa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M08 February

Month	2017/18	Budget Year 2018/19							
	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	482	3,082		2,823	2,823	3,082	260	8.4%	9%
August	1,594	3,082		1,437	4,260	6,165	1,905	30.9%	13%
September	816	3,082		4,895	9,156	9,247	91	1.0%	28%
October	1,761	3,082		3,416	12,572	12,329	(243)	-2.0%	38%
November	2,163	3,082		6,900	19,472	15,412	(4,060)	-26.3%	60%
December	3,390	3,082		1,859	21,340	18,494	(2,846)	-15.4%	65%
January	3,180	3,082		3,443	24,784	21,576	(3,207)	-14.9%	76%
February	4,386	3,082		2,130	26,913	24,659	(2,254)	-9.1%	82%
March	3,748	3,082				27,741	-		
April	3,067	3,082				30,824	-		
May	5,747	3,082				33,906	-		
June	63,445	(1,225)				32,681	-		
Total Capital expenditure	93,759	32,681	-	26,913					

The Municipality has spent 82 % of the total Adjusted capital budget and has an over expenditure variance of 9.1 % compared to year to date budget as at 28 February 2019.

13.2 Supporting Table SC13

Supporting Tables SC13 include the following:

- SC13a: Capital expenditure on new assets by asset class
- SC13b: Capital expenditure on renewal of existing assets by asset class

Table SC13a totals to Table C5

SC13c: Expenditure on repairs and maintenance by asset class

MONTHLY BUDGET STATEMENT FOR FEBRUARY 2019

Disclaimer: The information provided by the municipality in this report has not been audited and is made available for providing guidance.

13.2.2 Supporting Table SC13c

EC126 Ngqushwa - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08 February

Description	Ref	2017/18	Budget Year 2018/18						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure									
Roads Infrastructure		-	850	524	-	855	350	(505)	-144.5%
Roads		-	624	298	-	357	199	(158)	-79.6%
Road Structures		-	624	298	-	357	199	(158)	-79.6%
Road Furniture		-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-
Electrical Infrastructure		-	226	226	-	498	151	(347)	-230.1%
Power Plants		-	226	226	-	498	151	(347)	-230.1%
HV Substations		-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-
Other assets		-	131	305	27	431	203	(228)	-112.1%
Operational Buildings		-	131	305	27	431	203	(228)	-112.1%
Municipal Offices		-	131	305	27	431	203	(228)	-112.1%
Pay/Enquiry Points		-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-
Computer Equipment		-	78	78	-	85	52	(33)	-63.4%
Computer Equipment		-	78	78	-	85	52	(33)	-63.4%
Furniture and Office Equipment		-	-	601	-	-	-	-	-
Furniture and Office Equipment		-	-	601	-	-	-	-	-
Machinery and Equipment		-	150	150	-	-	100	100	100.0%
Machinery and Equipment		-	150	150	-	-	100	100	100.0%
Transport Assets		-	600	774	-	834	516	(118)	-22.8%
Transport Assets		-	600	774	-	834	516	(118)	-22.8%
Land		-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	-	1,810	2,433	27	2,005	1,221	(784)	-64.2%

Section 14 – Other supporting documentation

Other supporting documents

25. A municipality must add to its in-year report any supporting documents not covered in this Schedule if such documents are necessary to fully explain the review of actual service delivery and financial performance compared to the approved annual budget and the latest approved adjustments budget.

14.1 Other information

None

Section 15 – In-year reports of municipal entities attached to the municipality's in-year report

In-year reports of municipal entities attached to the in-year report

26. Give a list of the municipal entity in-year reports attached to the in-year report.

Not Applicable to Ngqushwa Local Municipality

15.1 Listing of in-year reports for municipal entities attached to this report

Not applicable to Ngqushwa Municipality.

Section 16 – Municipal manager's quality certification

QUALITY CERTIFICATE

I, **Misiwe P. Mpahlwa** municipal manager of **Ngqushwa Municipality**, hereby certify that -

(Mark as appropriate)

- ☒ the monthly budget statement
- ☐ quarterly report on the implementation of the budget and financial state of affairs of the municipality
- ☐ Mid-year budget and performance assessment

for the month of February 2019 of 2018/2019 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name: Mrs. M.P Mpahlwa

Municipal Manager of Ngqushwa Municipality (EC126)

Signature

M.P. Mpahlwa

Date

14/03/2019