



NGQUSHWA LOCAL MUNICIPALITY
MONTHLY BUDGET STATEMENT
SEPTEMBER 2019

MONTHLY BUDGET STATEMENT FOR SEPTEMBER 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 September 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 municipalities approved budget.

4. RECOMMENDATION

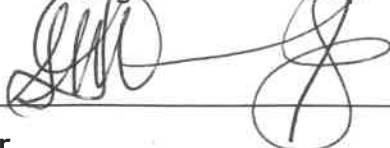
It is recommended that the mayor acknowledges receipt of the report and deal with it in accordance with the relevant prescripts of the legislation.

Yours faithfully,



MUNICIPAL MANAGER

Acknowledgement of receipt



Cllr

MAYOR

Date

22 / 10 / 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 May 2009 and Schedule C.

Monthly Budget Statement September 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 Management / Finance Standing Committee 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 2019-2020

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

Service charges levied as at 30 September 2019 are as follows;

EC126 Ngqushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

2018/19										
Description	Ref	Budget Year 2019/20								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		31 240	38 821		401	38 032	9 705	26 327	271%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue		806	636		123	370	159	211	133%	
Rental of facilities and equipment		157	686		26	86	172	(85)	-50%	
Interest earned - external investments		1 212	2 916		271	436	729	(293)	-40%	
Interest earned - outstanding debtors		2 086	5 032		217	626	1 258	(632)	-50%	
Dividends received					-	-		-		
Fines, penalties and forfeits		1 155	5 681		10	103	1 420	(1 317)	-93%	
Licences and permits		1 756	2 366		178	594	591	3	0%	
Agency services		392	536		25	109	134	(25)	-18%	
Transfers and subsidies		88 625	89 199		500	37 884	22 300	15 584	70%	
Other revenue		955	4 860		36	61	1 215	(1 154)	-95%	
Gains on disposal of PPE					-			-		
Total Revenue (excluding capital transfers and contributions)		128 384	150 732	-	1 787	76 303	37 683	38 620	102%	-

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 26 327 061.65 with 271% 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 2019. The Municipality is implementing a new General Valuation in the financial year 2019/20, and the properties have increased since.

Service charges

Service charges on refuse service charges are R 211 396.37 or 133% over billed than 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 2019. These properties are mainly government departments.

And Rental of facilities are at 50 % under billed with the year to date budget.

The municipality has under collected on other own revenue with 95% compared to year to date budget.

Expenditure by Type

Expenditure By Type									
Employee related costs	66 713	69 482		6 575	17 420	17 370	50	0%	
Remuneration of councillors	8 575	9 051		722	2 204	2 263	(58)	-3%	
Debt impairment	399	1 756		—	—	439	(439)	-100%	
Depreciation & asset impairment	20 894	10 576		—	—	2 644	(2 644)	-100%	
Finance charges	788			3	3		3	#DIV/0!	
Bulk purchases				—	—		—		
Other materials	2 820	2 630		134	331	658	(326)	-50%	
Contracted services	27 183	18 954		1 743	3 663	4 739	(1 076)	-23%	
Transfers and subsidies	50	53		50	50	13	37	280%	
Other expenditure	19 385	19 585		1 367	5 143	4 896	247	5%	
Loss on disposal of PPE				—	—		—		
Total Expenditure	146 807	132 087	—	10 593	28 814	33 022	(4 208)	-13%	—

The actuals expenditure with regards to debt impairment will be reported annually and depreciation will be reported half yearly. General expenditure shows an over expenditure of 5% or R 246 598.87 compared to the year to date budget.

Capital Expenditure

EC126 Ngqushwa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03
September

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification										
Governance and administration		2 077	2 660	-	-	258	665	(407)	-61%	-
Executive and council								-		
Finance and administration		2 077	2 660		-	258	665	(407)	-61%	
Internal audit								-		
Community and public safety		15 666	1 200	-	-	1 104	300	804	268%	-
Community and social services		15 666						-		
Sport and recreation			1 200		-	1 104	300	804	268%	
Public safety								-		
Housing								-		
Health								-		
Economic and environmental services		15 838	21 429	-	902	2 790	5 357	(2 567)	-48%	-
Planning and development								-		
Road transport		15 838	21 429		902	2 790	5 357	(2 567)	-48%	
Environmental protection								-		
Trading services		-	5 160	-	-	-	1 290	(1 290)	-100%	-
Energy sources			5 160				1 290	(1 290)	-100%	
Water management								-		
Waste water management								-		
Waste management								-		
Other								-		
Total Capital Expenditure - Functional Classification	3	33 582	30 449	-	902	4 152	7 612	(3 460)	-45%	-
Funded by:										
National Government		31 332	26 639		902	3 894	6 660	(2 766)	-42%	
Provincial Government								-		
District Municipality								-		
Other transfers and grants								-		
Transfers recognised - capital		31 332	26 639	-	902	3 894	6 660	(2 766)	-42%	-
Borrowing	6							-		
Internally generated funds		2 249	3 810		-	258	953	(694)	-73%	
Total Capital Funding		33 582	30 449	-	902	4 152	7 612	(3 460)	-45%	-

The expenditure for the month of September 2019 was R 902 242.2 that is 2.9 % of the total annual capital budget amount. The expenditure this month it comprises:

- the Construction of Rura Internal Streets
- the Construction of Lewis Community Hall
- the Design of Mpekweni Internal Streets
- the Construction of Bhingqala Community Hall

The total expenditure above is funded form the Municipal Infrastructure Grant.

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 - M03 September

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	31 240	38 821	–	401	36 032	9 705	26 327	271%	–
Service charges	806	636	–	123	370	159	211	133%	–
Investment revenue	1 212	2 916	–	271	436	729	(293)	-40%	–
Transfers and subsidies	88 625	89 199	–	500	37 884	22 300	15 584	70%	–
Other own revenue	6 501	19 160	–	492	1 580	4 790	(3 210)	-67%	–
Total Revenue (excluding capital transfers and contributions)	128 384	150 732	–	1 787	76 303	37 683	38 620	102%	–
Employee costs	66 713	69 482	–	6 575	17 420	17 370	50	0%	–
Remuneration of Councillors	8 575	9 051	–	722	2 204	2 263	(58)	-3%	–
Depreciation & asset impairment	20 894	10 576	–	–	–	2 644	(2 644)	-100%	–
Finance charges	788	–	–	3	3	–	3	#DIV/0!	–
Materials and bulk purchases	2 820	2 630	–	134	331	658	(326)	-50%	–
Transfers and subsidies	50	53	–	50	50	13	37	280%	–
Other expenditure	46 966	40 296	–	3 110	8 805	10 074	(1 268)	-13%	247
Total Expenditure	146 807	132 087	–	10 593	28 814	33 022	(4 208)	-13%	247
Surplus/(Deficit)	(18 423)	18 645	–	(8 806)	47 489	4 661	42 828	919%	(247)
Transfers and subsidies - capital (monetary allocation)	31 816	26 539	–	–	–	6 635	(6 635)	-100%	–
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	13 393	45 184	–	(8 806)	47 489	11 296	36 193	320%	(247)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	13 393	45 184	–	(8 806)	47 489	11 296	36 193	320%	(247)
Capital expenditure & funds sources									
Capital expenditure	33 582	30 449	–	902	4 152	7 612	(3 460)	-45%	–
Capital transfers recognised	31 332	26 639	–	902	3 894	6 660	(2 766)	-42%	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	2 249	3 810	–	–	258	953	(694)	-73%	–
Total sources of capital funds	33 582	30 449	–	902	4 152	7 612	(3 460)	-45%	–
Financial position									
Total current assets	34 929	39 121	–	–	84 638	–	–	–	39 121
Total non current assets	279 932	311 745	–	–	284 085	–	–	–	311 745
Total current liabilities	21 253	14 624	–	–	27 625	–	–	–	14 624
Total non current liabilities	13 829	12 806	–	–	13 829	–	–	–	–
Community wealth/Equity	279 779	278 252	–	–	327 268	–	–	–	278 252
Cash flows									
Net cash from (used) operating	–	34 069	–	(4 559)	26 574	8 517	(18 057)	-212%	–
Net cash from (used) investing	–	(25 449)	–	(2 415)	(4 500)	(6 362)	(1 862)	29%	–
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	–	10 124	–	–	23 386	3 659	(19 727)	-539%	1 312
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	1 355	(15)	27 283	384	336	386	2 355	18 344	50 428
Creditors Age Analysis									
Total Creditors	717	10	3	(3)	–	–	(79)	79	726

4.1.2 Table C2: Monthly Budget Statement - Financial

EC126 Ngqushwa - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		155 653	167 290	-	954	74 641	41 822	32 818	78%	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		155 653	167 290	-	954	74 641	41 822	32 818	78%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		455	670	-	500	508	168	340	203%	-
Community and social services		455	649	-	500	508	162	345	213%	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	21	-	-	-	5	(5)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		3 267	8 616	-	209	780	2 154	(1 374)	-64%	-
Planning and development		63	220	-	-	5	55	(50)	-91%	-
Road transport		3 203	8 396	-	209	775	2 099	(1 324)	-63%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		825	695	-	124	375	174	201	116%	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		19	59	-	1	4	15	(10)	-70%	-
Waste management		806	636	-	123	370	159	211	133%	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	160 280	177 271	-	1 787	76 303	44 318	31 985	72%	-
Expenditure - Functional										
<i>Governance and administration</i>		100 927	85 297	-	6 396	16 895	21 324	(4 429)	-21%	-
Executive and council		24 243	18 852	-	1 931	4 689	4 713	(24)	-1%	-
Finance and administration		75 055	64 443	-	4 130	11 550	16 111	(4 560)	-28%	-
Internal audit		1 629	2 002	-	336	656	500	155	31%	-
<i>Community and public safety</i>		13 966	15 120	-	1 225	3 204	3 780	(576)	-15%	-
Community and social services		1 928	2 315	-	66	201	578	(377)	-65%	-
Sport and recreation		1 685	1 830	-	204	486	457	29	6%	-
Public safety		9 099	9 634	-	832	2 212	2 409	(197)	-8%	-
Housing		1 254	1 341	-	122	305	335	(30)	-9%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		10 256	8 660	-	976	2 793	2 165	628	29%	-
Planning and development		4 760	4 852	-	417	1 330	1 213	117	10%	-
Road transport		5 496	3 807	-	559	1 463	952	512	54%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		17 695	18 385	-	1 794	5 306	4 596	710	15%	-
Energy sources		5 087	5 014	-	570	1 524	1 254	271	22%	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		12 808	13 370	-	1 224	3 782	3 343	440	13%	-
Other		3 983	4 625	-	202	615	1 156	(541)	-47%	-
Total Expenditure - Functional	3	146 807	132 087	-	10 593	28 614	33 022	(4 208)	-13%	-
Surplus/ (Deficit) for the year		13 393	45 184	-	(8 806)	47 489	11 296	36 193	320%	-

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) - M03 September

LC120 Ngusshwa - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September										
Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		155 653	167 290	-	954	74 641	41 822	32 818	78.5%	-
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		455	649	-	500	508	162	345	212.6%	-
Vote 5 - Energy services		-	-	-	-	-	-	-	-	-
Vote 6 - Road Transport		3 203	8 417	-	209	775	2 104	(1 329)	-63.2%	-
Vote 7 - Other		-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		63	220	-	-	5	55	(50)	-91.2%	-
Vote 9 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 10 - Vote 10 - Housing		-	-	-	-	-	-	-	-	-
Vote 11 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 12 - Waste Management		806	636	-	123	370	159	211	133.0%	-
Vote 13 - Waste Water Management		19	59	-	1	4	15	(10)	-70.1%	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	160 200	177 271	-	1 787	76 303	44 318	31 985	72.2%	-
Expenditure by Vote										
Vote 1 - Vote 1 - Executive and Council	1	24 243	18 852	-	1 931	4 689	4 713	(24)	-0.5%	-
Vote 2 - Finance and Administration		75 055	64 443	-	4 130	11 550	16 111	(4 560)	-28.3%	-
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		1 928	2 315	-	66	201	579	(377)	-65.2%	-
Vote 5 - Energy services		5 087	5 014	-	570	1 524	1 254	271	21.6%	-
Vote 6 - Road Transport		14 594	13 441	-	1 391	3 675	3 360	315	9.4%	-
Vote 7 - Other		3 963	4 625	-	202	615	1 156	(541)	-48.8%	-
Vote 8 - Planning and Development		4 760	4 852	-	417	1 330	1 213	117	9.6%	-
Vote 9 - Sport and Recreation		1 685	1 830	-	204	486	457	29	6.3%	-
Vote 10 - Vote 10 - Housing		1 254	1 341	-	122	305	335	(30)	-9.0%	-
Vote 11 - Internal Audit		1 629	2 002	-	336	666	500	155	31.1%	-
Vote 12 - Waste Management		12 608	13 370	-	1 224	3 782	3 343	440	13.1%	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	146 807	132 087	-	10 593	28 814	33 022	(4 208)	-12.7%	-
Surplus/ (Deficit) for the year	2	13 393	45 184	-	(8 806)	47 489	11 296	36 193	320.4%	-

4.1.4 Table C4: Monthly Budget Statement

EC126 Ngqushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		31 240	38 821		401	36 032	9 705	26 327	271%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue		806	636		123	370	159	211	133%	
Rental of facilities and equipment		157	686		26	86	172	(85)	-50%	
Interest earned - external investments		1 212	2 916		271	436	729	(293)	-40%	
Interest earned - outstanding debtors		2 086	5 032		217	626	1 258	(632)	-50%	
Dividends received					-	-		-		
Fines, penalties and forfeits		1 155	5 681		10	103	1 420	(1 317)	-93%	
Licences and permits		1 756	2 366		178	594	591	3	0%	
Agency services		392	536		25	109	134	(25)	-18%	
Transfers and subsidies		88 625	89 199		500	37 884	22 300	15 584	70%	
Other revenue		955	4 860		36	61	1 215	(1 154)	-95%	
Gains on disposal of PPE					-			-		
Total Revenue (excluding capital transfers and contributions)		128 384	150 732	-	1 787	76 303	37 683	38 620	102%	-
Expenditure By Type										
Employee related costs		66 713	69 482		6 575	17 420	17 370	50	0%	
Remuneration of councillors		8 575	9 051		722	2 204	2 263	(58)	-3%	
Debt impairment		399	1 756		-	-	439	(439)	-100%	
Depreciation & asset impairment		20 894	10 576		-	-	2 644	(2 644)	-100%	
Finance charges		788			3	3		3	#DIV/0!	
Bulk purchases					-	-		-		
Other materials		2 820	2 630		134	331	658	(326)	-50%	
Contracted services		27 183	18 954		1 743	3 663	4 739	(1 076)	-23%	
Transfers and subsidies		50	53		50	50	13	37	280%	
Other expenditure		19 385	19 585		1 367	5 143	4 896	247	5%	247
Loss on disposal of PPE					-	-		-		
Total Expenditure		146 807	132 087	-	10 593	28 814	33 022	(4 208)	-13%	247
Surplus/(Deficit)		(18 423)	18 645	-	(8 806)	47 489	4 661	42 828	0	(247)
Transfers and subsidies - capital (property, structures)										
(National / Provincial and District)		31 816	26 539				6 635	(6 635)	(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		13 393	45 184	-	(8 806)	47 489	11 296			(247)
Taxation								-		
Surplus/(Deficit) after taxation		13 393	45 184	-	(8 806)	47 489	11 296			(247)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		13 393	45 184	-	(8 806)	47 489	11 296			(247)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		13 393	45 184	-	(8 806)	47 489	11 296			(247)

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

EC126 Ngqushwa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification										
Governance and administration		2 077	2 660	-	-	258	665	(407)	-61%	-
Executive and council								-		
Finance and administration		2 077	2 660		-	258	665	(407)	-61%	
Internal audit								-		
Community and public safety		15 666	1 200	-	-	1 104	300	804	268%	-
Community and social services		15 666						-		
Sport and recreation			1 200		-	1 104	300	804	268%	
Public safety								-		
Housing								-		
Health								-		
Economic and environmental services		15 638	21 429	-	902	2 790	5 357	(2 567)	-48%	-
Planning and development								-		
Road transport		15 638	21 429		902	2 790	5 357	(2 567)	-48%	
Environmental protection								-		
Trading services		-	5 160	-	-	-	1 290	(1 290)	-100%	-
Energy sources			5 160				1 290	(1 290)	-100%	
Water management								-		
Waste water management								-		
Waste management								-		
Other								-		
Total Capital Expenditure - Functional Classification	3	33 582	30 449	-	902	4 152	7 612	(3 460)	-45%	-
Funded by:										
National Government		31 332	26 639		902	3 894	6 660	(2 766)	-42%	
Provincial Government								-		
District Municipality								-		
Other transfers and grants								-		
Transfers recognised - capital		31 332	26 639	-	902	3 894	6 660	(2 766)	-42%	-
Borrowing	6							-		
Internally generated funds		2 249	3 810		-	258	953	(694)	-73%	
Total Capital Funding		33 582	30 449	-	902	4 152	7 612	(3 460)	-45%	-

4.1.6 Table C6: Monthly Budget Statement - Financial Position

EC126 Ngqushwa - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1 312	10 124		23 413	10 124
Call investment deposits		–	–		–	–
Consumer debtors		6 796	13 490		7 599	13 490
Other debtors		16 658	5 654		43 462	5 654
Current portion of long-term receivables		311	–		311	–
Inventory		9 853	9 853		9 853	9 853
Total current assets		34 929	39 121	–	84 638	39 121
Non current assets						
Long-term receivables						
Investments						
Investment property		26 674	28 095		26 673	28 095
Investments in Associate			–			
Property, plant and equipment		252 588	282 775		256 880	282 775
Biological						
Intangible		671	875		531	875
Other non-current assets		0			0	
Total non current assets		279 932	311 745	–	284 085	311 745
TOTAL ASSETS		314 861	350 866	–	368 723	350 866
LIABILITIES						
Current liabilities						
Bank overdraft						
Borrowing						
Consumer deposits					–	
Trade and other payables		21 253	14 624		27 625	14 624
Provisions					–	
Total current liabilities		21 253	14 624	–	27 625	14 624
Non current liabilities						
Borrowing			–			–
Provisions		13 829	12 806		13 829	
Total non current liabilities		13 829	12 806	–	13 829	–
TOTAL LIABILITIES		35 082	27 430	–	41 454	14 624
NET ASSETS	2	279 779	323 436	–	327 268	336 242
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		279 779	278 252		327 268	278 252
Reserves					–	
TOTAL COMMUNITY WEALTH/EQUITY	2	279 779	278 252	–	327 268	278 252

MONTHLY BUDGET STATEMENT FOR SEPTEMBER 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 - M03 September

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			23 293		8 301	9 063	5 823	3 240	58%	
Service charges			381		54	167	95	72	75%	
Other revenue			8 477		239	1 704	2 119	(415)	-20%	
Government - operating			89 199		500	38 810	22 300	18 511	74%	
Government - capital			26 539		-	8 552	6 635	1 917	29%	
Interest			5 935		271	436	1 484	(1 048)	-71%	
Dividends						-		-		
Payments										
Suppliers and employees			(119 702)		(13 923)	(32 158)	(29 926)	2 233	-7%	
Finance charges								-		
Transfers and Grants			(53)				(13)	(13)	100%	
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	34 069	-	(4 559)	26 574	8 517	(18 057)	-212%	-
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE					-	9		9	#DIV/0!	
Decrease (increase) in non-current debtors			5 000				1 250	(1 250)	-100%	
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments								-		
Payments										
Capital assets			(30 449)		(2 415)	(4 509)	(7 612)	(3 103)	41%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(25 449)	-	(2 415)	(4 509)	(6 362)	(1 862)	28%	-
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		-	8 620	-	(6 974)	22 074	2 155			-
Cash/cash equivalents at beginning:			1 504			1 312	1 504			1 312
Cash/cash equivalents at month/year end:		-	10 124	-		23 386	3 659			1 312

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Debtors' analysis

EC126 Ngqushwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

2019/20 requires supporting table 5.3 monthly budget statement - aged debtors - M03 September													
Description	NT Code	Budget Year 2019/20										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dya	151-180 Dya	181 Dya-1 Yr	Over 1Yr	Total	Total over 90 days		
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	605	(14)	29 973	140	101	143	564	10 334	39 865	11 302	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	261	(1)	89	32	30	26	155	855	1 447	1 068	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	59	-	17	-	-	-	-	110	167	110	-	-
Interest on Arrear Debtor Accounts	1810	430	-	204	213	204	217	1 616	7 044	9 929	9 285	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	1 355	(15)	27 283	384	336	386	2 355	18 344	50 428	21 805	-	-
2018/19 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	172	(1)	29 510	70	49	79	574	5 351	29 803	6 122	-	-
Commercial	2300	434	-	2 626	76	70	100	407	2 374	6 238	3 096	-	-
Households	2400	536	(14)	273	168	166	159	1 040	6 078	8 403	7 612	-	-
Other	2500	211	-	673	71	46	49	334	4 542	5 928	5 044	-	-
Total By Customer Group	2600	1 355	(19)	27 283	384	336	386	2 355	18 344	50 428	21 805	-	-

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.

EC126 Ngqushwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Reporting Table 004 monthly Budget Statement - aged creditors - MU3 September											
Description	NT Code	Budget Year 2019/20									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	717	10	3	(3)	-	-	(79)	79	726	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	717	10	3	(3)	-	-	(79)	79	726	-

Section 7 – Investment portfolio analysis

7.1 Supporting Table SC5

EC126 Ngqushwa - Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M03 September

Investments by maturity Name of Institution & Investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate *	Commisio n Paid (Rands)	Commisio n Recipient	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality FNB 74618040061		3MNTHS	Short term	Yes		0	0	0	26/09/2019	43 000	367	(28 178)		15 191
														-
														-
														-
Municipality sub-total										43 000		(28 178)	-	15 191
Entities														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									43 000		(28 178)	-	15 191

7.2 Additional Information

The Statement of financial position includes the following:

Item	R thousands
Cash	911 456
Call investment deposits Investments	22 474 768.78
TOTAL	23 386 225.24

The following commitments for the month September 2019 exist against these available resources:

Item	R thousands
Unspent grants	7 180 130.31
Unpaid creditors	726 008.00
TOTAL	7 906 138.31

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 - M03 September

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	88 602	-	-	37 813	22 151	13 502	61.0%	-
Local Government Equitable Share			82 695		-	34 007	20 674	13 333	64.5%	
Finance Management			2 880		-	2 880	720			
Municipal Systems Improvement			1 901		-	476	475			
EPWP Incentive										
	3							-		
								-		
								-		
								-		
PMU			1 125		-	450	281	169	60.0%	
Provincial Government:		-	-	-	-	-	-	-		-
								-		
								-		
Other transfers and grants [insert description]								-		
District Municipality:	4	-	-	-	-	-	-	-		-
[insert description]								-		
								-		
Other grant providers:		-	597	-	500	547	149	398	266.6%	-
Construction Ceta						-		-		
LG Seta			175		-	47	44			
Education Seta			421		500	500	105			
Sports and Recreation										
								-		
Total Operating Transfers and Grants	5	-	89 199	-	500	38 360	22 300	13 900	62.3%	-
Capital Transfers and Grants										
National Government:		-	26 539	-	-	11 002	6 635	4 367	65.8%	-
Municipal Infrastructure Grant (MIG)			21 379		-	9 002	5 345	3 657	68.4%	
								-		
								-		
								-		
Energy			5 160		-	2 000	1 290	710	56.0%	
Provincial Government:		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
Total Capital Transfers and Grants	5	-	26 539	-	-	11 002	6 635	4 367	65.8%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	115 738	-	500	49 362	28 935	18 267	63.1%	-

8.2 Supporting Table SC7 (1) – Grant expenditure

EC126 Ngqushwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

City of Ngqwenwa - Supporting Table 3C(1) Monthly Budget Statement - transfers and grant expenditure - mus September										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	88 602	-	12 423	30 628	22 151	8 478	38.3%	-
Local Government Equitable Share			82 696		11 683	29 422	20 674	8 748	42.3%	
Finance Management			2 880		400	567	720	(153)	-21.2%	
Municipal Systems Improvement								-		
EPWP Incentive			1 901		218	306	475	(170)	-35.7%	
								-		
PMU			1 125		121	333	281	52	18.5%	
Provincial Government:		-	-	-	-	-	-	-		-
								-		
								-		
								-		
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
								-		
[insert description]								-		
Other grant providers:		-	597	-	6	36	149	(85)	(0)	-
Construction Ceta										
LG Seta			176		5	15	44			
Education Seta								-		
library			421		-	21	105	(85)	-80.5%	
Total operating expenditure of Transfers and Grants:		-	89 199	-	12 429	30 664	22 300	8 393	37.8%	-
Capital expenditure of Transfers and Grants										
National Government:		-	26 539	-	2 532	5 972	6 635	(663)	-10.0%	-
Municipal Infrastructure Grant (MIG)			21 379		1 038	4 478	5 345	(867)	-16.2%	
								-		
								-		
Energy			5 160		1 494	1 494	1 290	204	15.8%	
Provincial Government:		-	-	-	-	-	-	-		-
								-		
								-		
District Municipality:		-	-	-	-	-	-	-		-
								-		
								-		
Other grant providers:		-	-	-	-	-	-	-		-
								-		
Total capital expenditure of Transfers and Grants		-	26 539	-	2 532	5 972	6 635	(663)	-10.0%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	115 738	-	14 961	36 636	28 935	7 730	26.7%	-

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 year.

The unspent grant balances as at 30 September 2019 are:

Grant	R thousands
Municipal Infrastructure Grant (MIG)	4 190 666.03
Financial Management Grant (FMG)	2 312 999.68
Integrated Electrification Municipal Programme	506 004.20
Extended Public Works Programme Grant (EPWP)	170 460.40
Unspent grant balances	7 180 130.31

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 - M03 September

2018/19 Supporting Table 000 Monthly Budget Statement - Councillor and Staff Benefits - w05 September										
Summary of Employee and Councillor remuneration	Ref	Budget Year 2019/20								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages			7 257		544	1 659	1 814	(155)	-9%	
Pension and UIF Contributions			182		15	46	46	-		
Medical Aid Contributions			34		3	9	9	-		
Motor Vehicle Allowance			473		-	-	118	(118)	-100%	
Cellphone Allowance			1 031		85	259	258	2	1%	
Housing Allowances			-		-	-	-	-		
Other benefits and allowances			74		75	232	18 485.09	213	1153%	
Sub Total - Councillors		-	9 051	-	722	2 204	2 263	(58)	-3%	-
% Increase	4		#DIV/0!							
Senior Managers of the Municipality	3									
Basic Salaries and Wages			7 131		157	471	1 783	(1 312)	-74%	
Pension and UIF Contributions			62		0	1	16	(15)	-94%	
Medical Aid Contributions			32		-	-	8	(8)	-100%	
Overtime			-		-	-	-	-		
Performance Bonus			-		-	-	-	-		
Motor Vehicle Allowance			770		42	125	192	(68)	-36%	
Cellphone Allowance			46		4	11	11	(0)	-1%	
Housing Allowances			-		-	-	-	-		
Other benefits and allowances			15		0	(170)	4	(174)	-4543%	
Payments in lieu of leave			2		-	-	0	(0)	-100%	
Long service awards			-		-	-	-	-		
Post-retirement benefit obligations			-		-	-	-	-		
Sub Total - Senior Managers of Municipality	2		8 058	-	203	438	2 015	(1 576)	-78%	-
% Increase	4		#DIV/0!							
Other Municipal Staff										
Basic Salaries and Wages			44 059		4 822	12 593	11 015	1 578	14%	
Pension and UIF Contributions			6 506		577	1 752	1 826	126	8%	
Medical Aid Contributions			2 547		232	700	837	83	10%	
Overtime			744		47	130	186	(56)	-30%	
Performance Bonus			-		-	-	-	-		
Motor Vehicle Allowance			2 318		157	481	580	(99)	-17%	
Cellphone Allowance			345		23	69	86	(17)	-20%	
Housing Allowances			104		8	25	26	(1)	-5%	
Other benefits and allowances			3 412		428	1 047	853	194	23%	
Payments in lieu of leave			1 167		39	146	292	(146)	-50%	
Long service awards			222		40	40	56	(16)	-28%	
Post-retirement benefit obligations			-		-	-	-	-		
Sub Total - Other Municipal Staff	2		61 424	-	6 372	16 982	15 356	1 626	11%	-
% Increase	4		#DIV/0!							
Total Parent Municipality		-	78 533	-	7 297	19 624	19 633	(9)	0%	-

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 Local 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 Local 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 - M03 September

Month	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July		2 371		1 301	1 301	2 371	1 069	45.1%	4%
August		2 371		1 949	3 250	4 741	1 491	31.5%	11%
September		2 371		902	4 152	7 112	2 960	41.6%	14%
October		2 371				9 483	-		
November		2 371				11 854	-		
December		2 371				14 224	-		
January		2 371				16 595	-		
February		2 371				18 966	-		
March		2 371				21 337	-		
April		2 371				23 707	-		
May		2 371				26 078	-		
June		4 371				30 449	-		
Total Capital expenditure	-	30 449	-	4 152					

The Municipality has spent 14% percent of the annual capital budget and 41.6 % compared to year to date budget as at 30 September 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 SEPTEMBER 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 - M03 September

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	554	-	-	195	138	(57)	-40.9%	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	554	-	-	195	138	(57)	-40.9%	-
Power Plants		-	554	-	-	195	138	(57)	-40.9%	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Other assets		-	480	-	156	209	120	(89)	-74.4%	-
Operational Buildings		-	480	-	156	209	120	(89)	-74.4%	-
Municipal Offices		-	480	-	156	209	120	(89)	-74.4%	-
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		-	120	-	-	54	30	(24)	-81.5%	-
Computer Equipment		-	120	-	-	54	30	(24)	-81.5%	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	1 052	-	104	377	263	(114)	-43.4%	-
Transport Assets		-	1 052	-	104	377	263	(114)	-43.4%	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	-	2 205	-	260	836	551	(284)	-51.6%	-

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 September 2019 of 2019/2020 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name: Mrs. M.P Mpahlwa

Acting Municipal Manager of Ngqushwa Municipality (EC126)

Signature

M.P. Mpahlwa

Date

18/10/2019