



**NGQUSHWA LOCAL MUNICIPALITY**  
**MONTHLY BUDGET STATEMENT**  
**NOVEMBER 2018**

**MONTHLY BUDGET STATEMENT FOR NOVEMBER 2018**

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*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 November 2018.

**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**

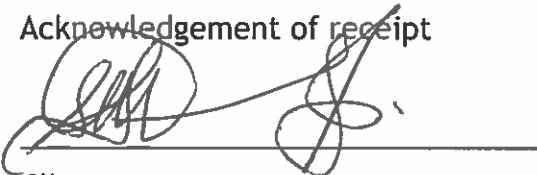
It is recommended that the mayor acknowledges receipt of the report and deal with it in accordance with the relevant prescripts of the legislation.

Yours faithfully,



**MUNICIPAL MANAGER**

Acknowledgement of receipt



Cllr

**MAYOR**

Date

14 / 12 / 2018

## **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 November 2018**

## Table of Contents

Table of Contents .....	4
Glossary .....	5
Legislative Framework .....	7
PART 1 – IN-YEAR REPORT .....	8
<b>Section 1 – Mayor’s Report</b> .....	8
Section 2 - Resolutions .....	9
Section 3 – Executive Summary .....	10
3 Section 3 – Executive Summary.....	10
Section 9 – Expenditure on councillor and board members Allowances and employee benefits.....	26
Section 10 – Material variances to the SDBIP .....	27
Section 11 – Parent municipality financial performance .....	27
Section 12 – Municipal entity summary .....	27
Section 13 – Capital programme performance .....	28
Section 14 – Other supporting documentation .....	30
Section 15 – In-year reports of municipal entities attached to the municipality’s in-year report .....	30
Section 16 – Municipal manager’s quality certification .....	31

## 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

Service charges levied as at 30 November 2018 are as follows;

EC126 Ngqushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	Budget Year 2018/19								Full Year Forecast
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates			28 780		434	28 312	11 992	16 320	136%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue			755		67	335	315	20	6%	
Service charges - other								-		
Rental of facilities and equipment			572		14	65	238	(173)	-73%	
Interest earned - external investments			2 702		121	565	1 126	(561)	-50%	
Interest earned - outstanding debtors			4 343		218	892	1 810	(917)	-51%	
Dividends received							-	-		
Fines, penalties and forfeits			3 900		19	94	1 625	(1 531)	-94%	
Licences and permits			2 249		172	735	937	(202)	-22%	
Agency services			509		27	154	212	(59)	-28%	
Transfers and subsidies			95 935		62	31 515	39 973	(8 458)	-21%	
Other revenue			4 466		15	74	1 862	(1 788)	-95%	
Gains on disposal of PPE								-		
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>144 213</b>		<b>1 149</b>	<b>62 741</b>	<b>60 089</b>	<b>2 652</b>	<b>4%</b>	<b>-</b>

### 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 28 311 750.04 with 36% 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.

### Service charges

Service charges on refuse service charges are R 334 781.34 or 6% over billed than the year to date budget.

And Rental of facilities are at 73% under billed with the year to date budget. The municipality has over budgeted on rental of facilities and this will be modified during adjustments budget.

The municipality has under collected on other own revenue with 96 % 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		66 807		5 895	27 155	27 836	(681)	-2%	
Remuneration of councillors		9 439		696	3 599	3 933	(334)	-8%	
Debt impairment		2 170				904	(904)	-100%	
Depreciation & asset impairment		15 053				6 272	(6 272)	-100%	
Finance charges		2 100		(4)	115	875	(760)	-87%	
Bulk purchases									
Other materials		1 911		301	1 494	796	697	88%	
Contracted services		23 482		3 397	9 988	9 784	204	2%	
Transfers and subsidies		25				10	(10)	-100%	
Other expenditure		16 893		1 146	4 949	7 039	(2 090)	-30%	
Loss on disposal of PPE									
<b>Total Expenditure</b>				<b>11 432</b>	<b>47 300</b>	<b>57 450</b>	<b>(10 150)</b>	<b>-16%</b>	

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. Employee costs show an under expenditure of 2 % because of vacant post yet to be filled during the financial year. The finance cost refers to interest incurred, on late payments. The budget included the interest on proposed leasing of assets.

## Capital Expenditure

EC126 Ngqushwa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November

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										
<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		-	4 318	-	270	379	1 799	(1 420)	-79%	-
Executive and council			10				4	(4)	-100%	
Finance and administration			4 308		270	379	1 795	(1 415)	-79%	
Internal audit										
<i>Community and public safety</i>		-	3 400	-	-	453	1 417	(963)	-68%	-
Community and social services			1 500			453	625	(172)	-27%	
Sport and recreation			1 900				792	(792)	-100%	
Public safety										
Housing										
Health										
<i>Economic and environmental services</i>		-	19 631	-	4 716	15 677	8 180	7 497	92%	-
Planning and development			15				6	(6)	-100%	
Road transport			19 616		4 716	15 677	8 173	(3 457)	-42%	
Environmental protection										
<i>Trading services</i>		-	5 332	-	1 914	2 962	2 222	740	33%	-
Energy sources			5 332		1 914	2 962	2 222	740	33%	
Water management										
Waste water management										
Waste management										
<i>Other</i>										
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	<b>-</b>	<b>32 661</b>	<b>-</b>	<b>6 900</b>	<b>19 472</b>	<b>13 617</b>	<b>5 855</b>	<b>43%</b>	<b>-</b>
<b>Funded by</b>										
National Government			26 348		6 630	19 092	10 978	8 114	74%	
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital		-	26 348	-	6 630	19 092	10 978	8 114	74%	-
Public contributions & donations	5									
Borrowing	6									
Internally generated funds			6 333		270	379	2 639	(2 259)	-86%	
<b>Total Capital Funding</b>		<b>-</b>	<b>32 661</b>	<b>-</b>	<b>6 900</b>	<b>19 472</b>	<b>13 617</b>	<b>5 855</b>	<b>43%</b>	<b>-</b>

The expenditure for the month of November 2018 was R 6 899 590.22 year to date expenditure is R19 471 627.19 with 43 % over variance Compared to year to date of the total annual capital budget amount. This expenditure comprises of:

- the Construction Peddie Town Streets R 3 678 466.99
- the Construction Runlets Streets R 277 942.52
- the Construction Qugqwala Internal Streets R 169 908.99
- the Construction Wesley Internal Streets R 590 022.17
- The electrification of household project R 1 913 569.07
- And other fixed assets (office equipment, tools etc.) R 269 680.00
- The total expenditure above is funded form the Municipal Infrastructure Grant , Integrated Electrification Municipal 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 - M05 November

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	28 780	-	434	28 312	11 992	16 320	136%	-
Service charges	-	755	-	67	335	315	20	6%	-
Investment revenue	-	2 702	-	121	565	1 126	(561)	-50%	-
Transfers and subsidies	-	95 935	-	62	31 515	39 973	(8 458)	-21%	-
Other own revenue	-	16 041	-	464	2 014	6 684	(4 669)	-70%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>144 213</b>	-	<b>1 149</b>	<b>62 741</b>	<b>60 089</b>	<b>2 652</b>	<b>4%</b>	-
Employee costs	-	66 807	-	5 895	27 155	27 836	(681)	-2%	-
Remuneration of Councilors	-	9 439	-	696	3 599	3 933	(334)	-8%	-
Depreciation & asset impairment	-	15 053	-	-	-	6 272	(6 272)	-100%	-
Finance charges	-	2 100	-	(4)	115	875	(760)	-87%	-
Materials and bulk purchases	-	1 911	-	301	1 494	796	697	88%	-
Transfers and subsidies	-	25	-	-	-	10	(10)	-100%	-
Other expenditure	-	42 545	-	4 543	14 937	17 727	(2 790)	-16%	-
<b>Total Expenditure</b>	-	<b>137 881</b>	-	<b>11 432</b>	<b>47 300</b>	<b>57 450</b>	<b>(10 150)</b>	<b>-18%</b>	-
<b>Surplus/(Deficit)</b>	-	<b>6 333</b>	-	<b>(10 283)</b>	<b>15 441</b>	<b>2 639</b>	<b>12 802</b>	<b>485%</b>	-
Transfers and subsidies - capital (monetary alloc	-	26 348	-	-	-	10 978	(10 978)	-100%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>32 681</b>	-	<b>(10 283)</b>	<b>15 441</b>	<b>13 617</b>	<b>1 824</b>	<b>13%</b>	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>32 681</b>	-	<b>(10 283)</b>	<b>15 441</b>	<b>13 617</b>	<b>1 824</b>	<b>13%</b>	-
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>32 681</b>	-	<b>6 900</b>	<b>19 472</b>	<b>13 617</b>	<b>5 855</b>	<b>43%</b>	-
Capital transfers recognised	-	26 348	-	6 630	19 092	10 978	8 114	74%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	6 333	-	270	379	2 639	(2 259)	-86%	-
<b>Total sources of capital funds</b>	-	<b>32 681</b>	-	<b>6 900</b>	<b>19 472</b>	<b>13 617</b>	<b>5 855</b>	<b>43%</b>	-
<b>Financial position</b>									
Total current assets	-	34 146	-	-	39 574	-	-	-	34 146
Total non current assets	-	210 439	-	-	296 189	-	-	-	210 439
Total current liabilities	-	22 346	-	-	30 989	-	-	-	22 346
Total non current liabilities	-	3 191	-	-	12 806	-	-	-	3 191
Community wealth/Equity	-	219 048	-	-	291 968	-	-	-	219 048
<b>Cash flows</b>									
Net cash from (used) operating	-	78 864	-	(11 723)	16 090	32 860	16 769	51%	-
Net cash from (used) investing	-	(63 811)	-	(4 901)	(14 501)	(26 588)	(12 087)	45%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	-	<b>16 253</b>	-	<b>-</b>	<b>3 093</b>	<b>7 472</b>	<b>4 379</b>	<b>59%</b>	<b>1 504</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	1 341	306	339	438	4 055	308	1 559	17 303	25 649
<b>Creditors Age Analysis</b>									
Total Creditors	1 448	262	0	(0)	(1)	(843)	(95)	1 093	1 865

## 4.1.2 Table C2: Monthly Budget Statement - Financial

EC126 Nggushwa - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November

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										
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		-	162 572	-	863	61 415	67 738	(6 323)	-9%	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	162 572	-	863	61 415	67 738	(6 323)	-9%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	586	-	3	12	244	(232)	-95%	-
Community and social services		-	586	-	3	12	244	(232)	-95%	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	6 592	-	215	971	2 747	(1 776)	-85%	-
Planning and development		-	91	-	8	21	38	(17)	-44%	-
Road transport		-	6 501	-	208	950	2 709	(1 759)	-85%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	811	-	68	343	338	5	2%	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	58	-	1	9	23	(15)	-63%	-
Waste management		-	755	-	67	335	315	20	6%	-
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	170 561	-	1 149	62 741	71 067	(8 326)	-12%	-
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	94 311	-	7 363	27 656	39 298	(11 640)	-30%	-
Executive and council		-	28 080	-	2 545	7 794	11 700	(3 906)	-33%	-
Finance and administration		-	64 163	-	4 506	19 116	26 735	(7 618)	-28%	-
Internal audit		-	2 068	-	311	745	862	(116)	-14%	-
<i>Community and public safety</i>		-	5 390	-	466	2 102	2 246	(144)	-8%	-
Community and social services		-	2 127	-	218	888	886	2	0%	-
Sport and recreation		-	994	-	135	667	414	253	81%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	2 269	-	113	547	946	(399)	-42%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	19 881	-	1 868	8 126	8 284	(157)	-2%	-
Planning and development		-	6 081	-	513	2 070	2 534	(464)	-18%	-
Road transport		-	13 800	-	1 155	6 056	5 750	306	5%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	15 681	-	1 680	7 997	6 534	1 463	22%	-
Energy sources		-	4 897	-	455	2 201	2 040	161	8%	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	10 784	-	1 225	5 796	4 493	1 303	29%	-
Other		-	2 618	-	255	1 419	1 091	328	30%	-
<b>Total Expenditure - Functional</b>	3	-	137 881	-	11 432	47 300	57 450	(10 150)	-18%	-
<b>Surplus/ (Deficit) for the year</b>		-	32 680	-	(10 283)	15 441	13 617	1 824	13%	-



### 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) - M05 November

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
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Council General		-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	162 572	-	863	61 415	67 738	(6 323)	-9.3%	-
Vote 3 - Budget and Treasury		-	586	-	3	12	244	(232)	-85.2%	-
Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 5 - Community & Social Services		-	6 501	-	208	950	2 709	(1 759)	-84.0%	-
Vote 6 - Technical services		-	-	-	-	-	-	-	-	-
Vote 7 - other		-	91	-	8	23	38	(15)	-40.3%	-
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	335	315	20	6.4%	-
Vote 12 - [NAME OF VOTE 12]		-	56	-	1	7	23	(18)	-69.5%	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	170 581	-	1 149	62 741	71 067	(8 326)	-11.7%	-
<b>Expenditure by Vote</b>	1									
Vote 1 - Council General		-	28 080	-	2 545	7 794	11 700	(3 908)	-33.4%	-
Vote 2 - Municipal Manager		-	64 163	-	4 506	19 116	26 735	(7 618)	-28.5%	-
Vote 3 - Budget and Treasury		-	2 127	-	218	888	886	2	0.2%	-
Vote 4 - Corporate Services		-	4 897	-	455	2 201	2 040	161	7.9%	-
Vote 5 - Community & Social Services		-	13 800	-	1 155	6 056	5 750	306	5.3%	-
Vote 6 - Technical services		-	2 618	-	255	1 419	1 091	328	30.1%	-
Vote 7 - other		-	6 081	-	513	2 070	2 534	(464)	-18.3%	-
Vote 8 - [NAME OF VOTE 8]		-	994	-	135	667	414	253	61.2%	-
Vote 9 - [NAME OF VOTE 9]		-	2 269	-	113	547	946	(399)	-42.2%	-
Vote 10 - [NAME OF VOTE 10]		-	2 068	-	311	745	882	(116)	-13.5%	-
Vote 11 - [NAME OF VOTE 11]		-	10 784	-	1 225	5 796	4 493	1 303	29.0%	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	137 861	-	11 432	47 300	57 450	(10 150)	-17.7%	-
<b>Surplus/ (Deficit) for the year</b>	2	-	32 680	-	(10 283)	15 441	13 617	1 824	13.4%	-



### 4.1.4 Table C4: Monthly Budget Statement

EC126 Ngqushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	Budget Year 2018/19								
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		28 700			434	28 312	11 992	16 320	136%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue		755			67	305	315	20	6%	
Service charges - other								-		
Rental of facilities and equipment		572			14	65	238	(173)	-73%	
Interest earned - external investments		2 702			121	565	1 126	(561)	-50%	
Interest earned - outstanding debtors		4 343			218	882	1 810	(917)	-51%	
Dividends received								-		
Fines, penalties and forfeits		3 900			19	94	1 625	(1 531)	-94%	
Licences and permits		2 249			172	735	937	(202)	-22%	
Agency services		509			27	154	212	(59)	-28%	
Transfers and subsidies		95 935			62	31 515	39 973	(8 458)	-21%	
Other revenue		4 468			15	74	1 862	(1 788)	-96%	
Gains on disposal of PPE								-		
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	144 213	-	1 149	82 741	60 089	2 852	4%	-
<b>Expenditure By Type</b>										
Employee related costs		66 807			5 895	27 155	27 836	(681)	-2%	
Remuneration of councillors		9 439			696	3 599	3 933	(334)	-8%	
Debt impairment		2 170					904	(904)	-100%	
Depreciation & asset impairment		15 053			-	-	6 272	(6 272)	-100%	
Finance charges		2 100			(4)	115	875	(760)	-87%	
Bulk purchases		-			-	-	-	-		
Other materials		1 911			301	1 434	796	697	88%	
Contracted services		23 482			3 397	9 988	9 784	204	2%	
Transfers and subsidies		25			-	-	10	(10)	-100%	
Other expenditure		16 893			1 146	4 949	7 039	(2 090)	-30%	
Loss on disposal of PPE		-			-	-	-	-		
<b>Total Expenditure</b>		-	137 881	-	11 432	47 300	57 450	(10 150)	-18%	-
<b>Surplus/(Deficit)</b>										
(National / Provincial and District)		-	6 333	-	(10 283)	15 441	2 839	12 802	0	-
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	26 348	-	-	-	10 978	(10 978)	(0)	-
Transfers and subsidies - capital (in-kind - ab)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		-	32 681	-	(10 283)	15 441	13 617			-
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		-	32 681	-	(10 283)	15 441	13 617			-
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		-	32 681	-	(10 283)	15 441	13 617			-
Share of surplus/ (deficit) of associates		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		-	32 681	-	(10 283)	15 441	13 617			-

#### 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) - M05 November

Vote Description	Rel	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									
<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		-	4 318	-	270	379	1 799	(1 420)	-79%	-
Executive and council			10				4	(4)	-100%	
Finance and administration			4 308		270	379	1 795	(1 415)	-79%	
Internal audit										
<i>Community and public safety</i>		-	3 400	-	-	453	1 417	(963)	-68%	-
Community and social services			1 500			453	625	(172)	-27%	
Sport and recreation			1 900				792	(792)	-100%	
Public safety										
Housing										
Health										
<i>Economic and environmental services</i>		-	19 631	-	4 716	15 677	8 180	7 497	92%	-
Planning and development			15				6	(6)	-100%	
Road transport			19 616		4 716	15 677	8 173	(3 457)	-42%	
Environmental protection										
<i>Trading services</i>		-	5 332	-	1 914	2 962	2 222	740	33%	-
Energy sources			5 332		1 914	2 962	2 222	740	33%	
Water management										
Waste water management										
Waste management										
<i>Other</i>										
<b>Total Capital Expenditure - Functional Classification</b>	3	-	32 661	-	6 900	19 472	13 617	5 855	43%	-
<b>Funded by:</b>										
National Government			26 348		6 630	19 092	10 978	8 114	74%	
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital		-	26 348	-	6 630	19 092	10 978	8 114	74%	-
Public contributions & donations	5									
Borrowing	6									
Internally generated funds			6 333		270	379	2 639	(2 259)	-86%	
<b>Total Capital Funding</b>		-	32 661	-	6 900	19 472	13 617	5 855	43%	-

#### 4.1.6 Table C6: Monthly Budget Statement - Financial Position

EC126 Nggushwa - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2017/18	Budget Year 2018/19				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
<b>R thousands</b>	1						
<b>ASSETS</b>							
<b>Current assets</b>							
Cash			1 266		2 527	1 266	
Call investment deposits			-		3 000	-	
Consumer debtors			19 546		20 365	19 546	
Other debtors			9 988		3 830	9 988	
Current portion of long-term receivables			-		-	-	
Inventory			3 346		9 853	3 346	
<b>Total current assets</b>			-	34 146	-	39 574	34 146
<b>Non current assets</b>							
Long-term receivables			-		-	-	
Investments			-		-	-	
Investment property			24 058		28 003	24 058	
Investments in Associate			-		-	-	
Property, plant and equipment			185 133		267 221	185 133	
Agricultural			-		-	-	
Biological			-		-	-	
Intangible			1 248		965	1 248	
Other non-current assets			-		0	-	
<b>Total non current assets</b>			-	210 439	-	296 189	210 439
<b>TOTAL ASSETS</b>			-	244 585	-	335 763	244 585
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft			-		-	-	
Borrowing			-		-	-	
Consumer deposits			-		73	-	
Trade and other payables			22 346		26 462	22 346	
Provisions			-		4 454	-	
<b>Total current liabilities</b>			-	22 346	-	30 989	22 346
<b>Non current liabilities</b>							
Borrowing			-		-	-	
Provisions			3 191		12 806	3 191	
<b>Total non current liabilities</b>			-	3 191	-	12 806	3 191
<b>TOTAL LIABILITIES</b>			-	25 537	-	43 795	25 537
<b>NET ASSETS</b>	2		-	219 048	-	291 968	219 048
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)			219 048		291 968	219 048	
Reserves			-		-	-	
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2		-	219 048	-	291 968	219 048

#### MONTHLY BUDGET STATEMENT FOR NOVEMBER 2018

*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 - M05 November

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											
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			58 798		364	26 331	24 499	1 831	7%		
Service charges			1 511		20	300	629	(330)	-52%		
Other revenue			12 054		1 248	11 494	5 023	6 471	129%		
Government - operating			95 935		728	35 315	39 973	(4 658)	-12%		
Government - capital			26 348		-	8 527	10 978	(2 451)	-22%		
Interest			7 045		121	571	2 935	(2 364)	-81%		
Dividends			-				-	-			
<b>Payments</b>											
Suppliers and employees			(120 703)		(14 205)	(66 447)	(50 293)	16 154	-32%		
Finance charges			(2 100)				(875)	(875)	100%		
Transfers and Grants			(25)				(10)	(10)	100%		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			<b>-</b>	<b>78 884</b>	<b>-</b>	<b>(11 723)</b>	<b>16 090</b>	<b>32 860</b>	<b>16 769</b>	<b>51%</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE								-			
Decrease (increase) in non-current debtors								-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments			(31 130)				(12 971)	12 971	-100%		
<b>Payments</b>											
Capital assets			(32 681)		(4 901)	(14 501)	(13 617)	884	-6%		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			<b>-</b>	<b>(63 811)</b>	<b>-</b>	<b>(4 901)</b>	<b>(14 501)</b>	<b>(26 588)</b>	<b>(12 087)</b>	<b>45%</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans								-			
Borrowing long term/refinancing								-			
Increase (decrease) in consumer deposits								-			
<b>Payments</b>											
Repayment of borrowing								-			
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			<b>-</b>	<b>15 053</b>	<b>-</b>	<b>(16 623)</b>	<b>1 589</b>	<b>6 272</b>		<b>-</b>	
Cash/cash equivalents at beginning:			1 200			1 504	1 200			1 504	
Cash/cash equivalents at month/year end:			-	16 253	-	3 093	7 472			1 504	

## PART 2 – SUPPORTING DOCUMENTATION

### Section 5 – Debtors' analysis

EC126 Ngqushwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

Description	NT Code	Budget Year 2018/19								Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts LLo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
<b>R thousands</b>												
<b>Debtors Age Analysis By Income Source</b>												
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	733	308	97	220	3 840	108	370	10 023	15 695	14 559	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1600	139	(0)	43	28	27	21	142	853	1 259	1 071	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	6	-	-	-	-	(0)	-	123	130	123	-
Interest on Arrear Debtor Accounts	1810	463	(0)	193	190	188	182	1 047	6 303	8 585	7 909	-
Recoverable unauthorised irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Income Source</b>	<b>2899</b>	<b>1 341</b>	<b>308</b>	<b>328</b>	<b>438</b>	<b>4 055</b>	<b>308</b>	<b>1 559</b>	<b>17 363</b>	<b>25 648</b>	<b>22 663</b>	<b>-</b>
<b>2017/18 - totals only</b>												
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	2200	186	(22)	(15)	127	3 265	45	274	4 259	6 221	6 070	-
Commercial	2300	502	(0)	89	80	119	72	363	2 007	3 842	3 241	-
Household	2400	546	(7)	213	169	172	151	690	6 420	8 376	7 621	-
Other	2500	103	334	43	42	459	40	232	3 817	5 211	4 731	-
<b>Total By Customer Group</b>	<b>2898</b>	<b>1 341</b>	<b>308</b>	<b>328</b>	<b>438</b>	<b>4 055</b>	<b>308</b>	<b>1 559</b>	<b>17 363</b>	<b>25 648</b>	<b>22 663</b>	<b>-</b>

### 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 - M05 November

Description	NT Code	Budget Year 2018/19								Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
<b>R thousands</b>											
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	(0)	-	-	-	-	-	-	-	0	(0)
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1 448	262	0	(0)	(1)	(843)	(95)	1 093	1 865	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>1 448</b>	<b>262</b>	<b>0</b>	<b>(0)</b>	<b>(1)</b>	<b>(843)</b>	<b>(95)</b>	<b>1 093</b>	<b>1 865</b>	<b>-</b>

The amount in over 90 days refer to South African Local Government Association.

## Section 7 – Investment portfolio analysis

### 7.1 Supporting Table SC5

EC126 Nggushwa - Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M05 November

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
		Yrs/Months							
R thousands									
<b>Municipality</b>									
62414349763		Months	Short-term	30-06-2019	-		485	(288)	197
74773942899		Months	Short-term	30-06-2019	-		-	3 000	3 000
<b>Municipality sub-total</b>							485	2 712	3 197
<b>Entities</b>									
<b>Entities sub-total</b>									
<b>TOTAL INVESTMENTS AND INTEREST</b>	2						485	2 712	3 197

### 7.2 Additional Information

The Statement of financial position includes the following:

Item	R thousands
Cash	-103 632.44
Call investment /deposits Investments	3 196 700.34
<b>TOTAL</b>	<b>3 093 067.90</b>

The following commitments exist against these available resources:

Item	R thousands
Unspent grants	-6 401 178.69
Unpaid creditors	1 865 225.92
<b>TOTAL</b>	<b>-4 535 952.08</b>



## 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 - M05 November

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										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:			80 489		686	35 353	33 537	(12)	0.0%	
Local Government Equitable Share			75 488			31 453	31 453	(0)	0.0%	
Finance Management			2 415			2 415	1 008			
EPWP Incentive			1 480		666	1 036	617			
	3									
PMU			1 106			449	461	(12)	-2.6%	
Provincial Government:			369				154	(154)	-100.0%	
Sport and Recreation			369				154	(154)	-100.0%	
Other transfers and grants (insert description)										
District Municipality:										
Other grant providers:			78		62	62	32	30	93.2%	
LG Self			78		62	62	32	30	93.2%	
<b>Total Operating Transfers and Grants</b>	5		80 935		728	35 415	33 723	(138)	-0.4%	
<b>Capital Transfers and Grants</b>										
National Government:			26 348			9 859	10 978	(1 119)	-10.2%	
Municipal Infrastructure Grant (MIG)			21 016			8 527	8 757	(229)	-2.6%	
INEP			5 332			1 332	2 222	(890)	-40.0%	
Provincial Government:										
(insert description)										
District Municipality:										
(insert description)										
Other grant providers:										
(insert description)										
<b>Total Capital Transfers and Grants</b>	5		26 348			9 859	10 978	(1 119)	-10.2%	
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5		107 283		728	45 274	44 701	(1 255)	-2.8%	

## 8.2 Supporting Table SC7 (1) – Grant expenditure

EC126 Ngqushwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November

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										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	80 489	-	292	32 510	33 537	(1 027)	-3.1%	-
Local Government Equitable Share			75 488		-	31 453	31 453	-		
Finance Management			2 415		44	287	1 006	(719)	-71.5%	
EPWP Incentive			1 480		173	363	617	(224)	-36.3%	
PMU			1 106		75	377	461	(83)	-18.1%	
Provincial Government:			369		-	-	154	(154)	-100.0%	
Sport and Recreation			369		-	-	154	(154)	-100.0%	
Other transfers and grants (insert description)										
District Municipality:										
Other grant providers:										
LG Seta			78		-	-	32	(32)	-100.0%	
			78		-	-	32	(32)	-100.0%	
<b>Total operating expenditure of Transfers and Grants:</b>			<b>80 935</b>		<b>292</b>	<b>32 510</b>	<b>33 723</b>	<b>(1 213)</b>	<b>-3.8%</b>	<b>-</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:			26 348		6 630	19 092	10 978	8 114	73.9%	
Municipal Infrastructure Grant (MIG)			21 016		4 716	16 130	8 757	7 374	84.2%	
INEP			5 332		1 914	2 962	2 222	740	33.3%	
Provincial Government:										
District Municipality:										
Other grant providers:										
<b>Total capital expenditure of Transfers and Grants</b>			<b>26 348</b>		<b>6 630</b>	<b>19 092</b>	<b>10 978</b>	<b>8 114</b>	<b>73.9%</b>	<b>-</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>			<b>107 283</b>		<b>6 922</b>	<b>51 602</b>	<b>44 701</b>	<b>6 901</b>	<b>15.4%</b>	<b>-</b>

## 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 November 2018 are:**

<b>Grant</b>	<b>R thousands</b>
Municipal Infrastructure Grant (MIG)	-7 535 967.34
Financial Management Grant (FMG)	2 127 388.75
Integrated Electrification Municipal Programme	-1 630 042.8
Extended Public Works Programme Grant (EPWP)	637 442.7
<b>Unspent grant balances</b>	<b>-4 535 952.08</b>

**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 - M05 November

Summary of Employee and Councillor remuneration	Ref	2017/18		Budget Year 2018/19						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages			8 454		540	2 843	3 523	(679)	-19%	
Pension and UIF Contributions			-		15	76	-	76	#DIV/0!	
Medical Aid Contributions			-		3	14	-	14	#DIV/0!	
Motor Vehicle Allowance			353		52	227	147	80	55%	
Cellphone Allowance			633		85	439	264	175	67%	
Housing Allowances			-		-	-	-	-		
Other benefits and allowances			-		-	-	-	-		
<b>Sub Total - Councillors</b>			<b>9 439</b>		<b>696</b>	<b>3 599</b>	<b>3 833</b>	<b>(334)</b>	<b>-8%</b>	
% Increase	4		#DIV/0!							
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages			4 642		520	2 227	1 934	293	15%	
Pension and UIF Contributions			-		-	-	-	-		
Medical Aid Contributions			-		-	-	-	-		
Overtime			-		-	-	-	-		
Performance Bonus			-		-	-	-	-		
Motor Vehicle Allowance			-		-	-	-	-		
Cellphone Allowance			-		-	-	-	-		
Housing Allowances			-		-	-	-	-		
Other benefits and allowances			-		-	-	-	-		
Payments in lieu of leave			-		-	-	-	-		
Long service awards			-		-	-	-	-		
Post-retirement benefit obligations			-		-	-	-	-		
<b>Sub Total - Senior Managers of Municipality</b>			<b>4 642</b>		<b>520</b>	<b>2 227</b>	<b>1 934</b>	<b>293</b>	<b>15%</b>	
% Increase	4		#DIV/0!							
<b>Other Municipal Staff</b>										
Basic Salaries and Wages			52 947		3 788	18 916	22 061	(3 145)	-14%	
Pension and UIF Contributions			415		591	2 861	173	2 688	1555%	
Medical Aid Contributions			2 054		215	1 066	856	210	25%	
Overtime			454		20	121	189	(68)	-36%	
Performance Bonus			3 347		-	-	1 395	(1 395)	-100%	
Motor Vehicle Allowance			1 888		544	1 362	787	576	73%	
Cellphone Allowance			-		61	162	-	162	#DIV/0!	
Housing Allowances			183		-	62	76	(15)	-19%	
Other benefits and allowances			-		57	115	-	115	#DIV/0!	
Payments in lieu of leave			765		50	94	319	(225)	-70%	
Long service awards			112		48	118	47	71	153%	
Post-retirement benefit obligations			-		-	-	-	-		
<b>Sub Total - Other Municipal Staff</b>			<b>62 185</b>		<b>5 375</b>	<b>24 878</b>	<b>25 902</b>	<b>(1 024)</b>	<b>-4%</b>	
% Increase	4		#DIV/0!							
<b>Total Parent Municipality</b>			<b>78 247</b>		<b>6 591</b>	<b>30 705</b>	<b>31 769</b>	<b>(1 064)</b>	<b>-3%</b>	

## 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 - M05 November

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									
<b>Monthly expenditure performance trend</b>									
July		3 082		2 823	2 823	3 082	260	8.4%	9%
August		3 082		1 437	4 260	6 165	1 905	30.9%	13%
September		3 082		4 898	9 158	9 247	91	1.0%	28%
October		3 082		3 416	12 572	12 329	(243)	-2.0%	38%
November		3 082		6 900	19 472	15 412	(4 060)	-26.3%	60%
December		3 082				18 494	-		
January		3 082				21 576	-		
February		3 082				24 659	-		
March		3 082				27 741	-		
April		3 082				30 824	-		
May		3 082				33 906	-		
June		(1 225)				32 681	-		
Total Capital expenditure	-	32 681	-	19 472					

The Municipality has spent 60 % of the total original capital budget and 26% over compared to year to date budget as at 30 November 2018.

### 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 NOVEMBER 2018

*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 - M05 November

Description	Ref	Budget Year 2018/19								
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	650	-	107	680	354	(326)	-91.9%	-
<b>Roads Infrastructure</b>		-	624	-	-	182	280	78	30.1%	-
Roads			624			182	280	78	30.1%	
Road Structures										
Road Furniture										
Capital Spares										
<b>Storm water Infrastructure</b>		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
<b>Electrical Infrastructure</b>		-	228	-	107	498	94	(404)	-428.1%	-
Power Plants			228		107	498	94	(404)	-428.1%	
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
<b>Other assets</b>		-	131	-	78	238	55	(183)	-335.1%	-
<b>Operational Buildings</b>		-	131	-	78	238	55	(183)	-335.1%	-
Municipal Offices			131		78	238	55	(183)	-335.1%	
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
<b>Housing</b>		-	-	-	-	-	-	-	-	-
Staff Housing										
Social Housing										
Capital Spares										
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes										
<b>Licences and Rights</b>		-	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
<b>Computer Equipment</b>		-	78	-	78	76	33	(44)	-134.6%	-
Computer Equipment			78		78	76	33	(44)	-134.6%	
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
<b>Machinery and Equipment</b>		-	150	-	-	-	63	63	100.0%	-
Machinery and Equipment			150				63	63	100.0%	
<b>Transport Assets</b>		-	600	-	42	500	250	(250)	-99.8%	-
Transport Assets			600		42	500	250	(250)	-99.8%	
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land										
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<b>Total Repairs and Maintenance Expenditure</b>	1	-	1 610	-	301	1 494	754	(739)	-98.1%	-

## **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 November 2018 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



Date

