



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

**MONTHLY BUDGET STATEMENT FOR OCTOBER 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 October 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.

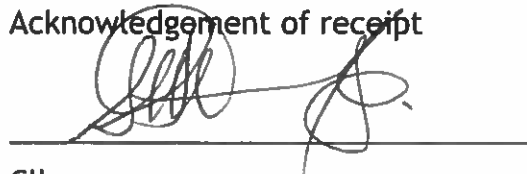
Yours faithfully,




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**MUNICIPAL MANAGER**

Acknowledgement of receipt




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Cllr

**MAYOR**

Date

26/11/2018

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# **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 October 2018**

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## Glossary

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

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

**Budget** – The financial plan of the Municipality.

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

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

**Cash flow statement** – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

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

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

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

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

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

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

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

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

**MTREF** – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

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

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

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

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

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

**Virement** – A transfer of budget.

**Virement policy** - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

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

## Legislative Framework

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

### The Municipal Finance Management Act – No. 56 of 2003

Section 71: Monthly budget statements

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

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

##### *Format of monthly budget statements*

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

##### *Tabling of monthly budget statements*

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

##### *Publication of monthly budget statements*

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

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

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

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

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

## **PART 1 – IN-YEAR REPORT**

### **Section 1 – Mayor’s Report**

#### **1.1 In-Year Report - Monthly Budget Statement**

##### **Mayor’s report**

3. *The mayor’s report accompanying an in-year monthly budget statement must provide-*
- (a) a summary of whether the municipality’s budget is being implemented in accordance with the service delivery and budget implementation plan and any service delivery agreements with municipal entities;*
  - (b) a summary of any financial problems or risks facing the municipality or any such entity; and*
  - (c) any other information considered relevant by the mayor.*

##### **1.1.1 Implementation of budget in terms of SDBIP**

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

##### **1.1.2 Other information**

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

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



## **Section 2 - Resolutions**

### ***Resolutions***

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

*(a) noting the monthly budget statement and any supporting documents;*

*(b) noting the quarterly report on the implementation of the budget and the financial affairs for the municipality referred to in section 52(d) of the Act;*

*(c) noting the mid-year budget and performance assessment referred to in section 72 of the Act;*

*(d) noting the in-year reports of any municipal entities; and*

*(e) any other resolutions that may be required.*

### ***IN-YEAR REPORTS 2018/2019***

#### ***RECOMMENDATION:***

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

## Section 3 – Executive Summary

### 3 Section 3 – Executive Summary

#### Executive summary

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

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

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

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

and note

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

### 3.1 Introduction

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

### 3.2 Consolidated performance

#### 3.2.1 Against annual budget

#### Revenue by Source

Service charges levied as at 31 October 2018 are as follows;

EC126 Ngqushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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 Source</b>										
Property rates			28 780		772	27 877	9 593	18 284	191%	
Service charges - electricity revenue							-	-		
Service charges - water revenue							-	-		
Service charges - sanitation revenue							-	-		
Service charges - refuse revenue			755		67	268	252	16	6%	
Service charges - other							-	-		
Rental of facilities and equipment			572		10	51	191	(139)	-73%	
Interest earned - external investments			2 702		108	443	901	(457)	-51%	
Interest earned - outstanding debtors			4 343		161	675	1 448	(773)	-53%	
Dividends received							-	-		
Fines, penalties and forfeits			3 900		23	75	1 300	(1 225)	-94%	
Licences and permits			2 249		175	563	750	(186)	-25%	
Agency services			509		27	126	170	(43)	-25%	
Transfers and subsidies			95 935		-	31 453	31 978	(525)	-2%	
Other revenue			4 468		7	59	1 489	(1 430)	-96%	
Gains on disposal of PPE							-	-		
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>144 213</b>		<b>1 348</b>	<b>61 592</b>	<b>48 071</b>	<b>13 521</b>	<b>28%</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 27877 364.12 with 91% 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 267 797.15 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	5 336	21 260	22 269	(1 009)	-5%			
Remuneration of councillors	9 439	712	2 904	3 146	(243)	-8%			
Debt impairment	2 170	-	-	723	(723)	-100%			
Depreciation & asset impairment	15 053	-	-	5 018	(5 018)	-100%			
Finance charges	2 100	106	119	700	(581)	-83%			
Bulk purchases	-	-	-	-	-				
Other materials	1 911	601	1 192	637	555	87%			
Contracted services	23 482	2 489	6 591	7 827	(1 237)	-16%			
Transfers and subsidies	25	-	-	8	(8)	-100%			
Other expenditure	16 893	987	3 803	5 631	(1 828)	-32%			
Loss on disposal of PPE	-	-	-	-	-				
<b>Total Expenditure</b>	<b>-</b>	<b>137 881</b>	<b>-</b>	<b>10 230</b>	<b>35 868</b>	<b>45 960</b>	<b>(10 092)</b>	<b>-22%</b>	<b>-</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 5 % 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) - M04 October

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	4 318	-	-	110	1 439	(1 329)	-92%	-
Executive and council			10				3	(3)	-100%	
Finance and administration			4 308			110	1 436	(1 326)	-92%	
Internal audit										
<b>Community and public safety</b>		-	3 400	-	-	453	1 133	(680)	-60%	-
Community and social services			1 500			453	500	(47)	-9%	
Sport and recreation			1 900				633	(633)	-100%	
Public safety										
Housing										
Health										
<b>Economic and environmental services</b>		-	19 631	-	2 368	10 960	6 544	4 417	67%	-
Planning and development			15				5	(5)	-100%	
Road transport			19 616		2 368	10 960	6 539	(4 171)	-64%	
Environmental protection										
<b>Trading services</b>		-	5 332	-	1 048	1 048	1 777	(729)	-41%	-
Energy services			5 332		1 048	1 048	1 777	(729)	-41%	
Water management										
Waste water management										
Waste management										
Other										
<b>Total Capital Expenditure - Functional Classification</b>	3	-	32 681	-	3 416	12 572	10 894	1 679	15%	-
<b>Funded by:</b>										
National Government			26 348		3 416	12 462	6 783	3 680	42%	
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital		-	26 348	-	3 416	12 462	6 783	3 680	42%	-
Public contributions & donations	5									
Borrowing	6									
Internally generated funds			6 333			110	2 111	(2 001)	-95%	
<b>Total Capital Funding</b>		-	32 681	-	3 416	12 572	10 894	1 679	15%	-

The expenditure for the month of October 2018 was R 3 416 473.42, year to date expenditure is R12 572 036.97 with 15 % variance Compared to year to date of the total annual capital budget amount. This month of October it comprises:

- the Construction Peddie Town Streets R 951 456.56
- the Construction Runlets Streets R 414 178.02R
- the Construction Qugqwala Internal Streets R 434 331.38
- the Construction Wesley Internal Streets R 568 033.73
- The electrification of household project R 1 048 473.73

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 Ngquahwa - Table C1 Monthly Budget Statement Summary - M04 October

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	-	772	27 877	9 593	18 284	191%	-
Service charges	-	755	-	67	268	252	16	6%	-
Investment revenue	-	2 702	-	108	443	901	(457)	-51%	-
Transfers and subsidies	-	95 935	-	-	31 453	31 978	(525)	-2%	-
Other own revenue	-	16 041	-	402	1 550	5 347	(3 797)	-71%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>144 213</b>	-	<b>1 349</b>	<b>61 592</b>	<b>48 071</b>	<b>13 521</b>	<b>28%</b>	-
Employee costs	-	66 807	-	5 336	21 260	22 269	(1 009)	-5%	-
Remuneration of Councillors	-	9 439	-	712	2 904	3 146	(243)	-8%	-
Depreciation & asset impairment	-	15 053	-	-	-	5 018	(5 018)	-100%	-
Finance charges	-	2 100	-	106	119	700	(581)	-83%	-
Materials and bulk purchases	-	1 911	-	601	1 192	637	555	87%	-
Transfers and subsidies	-	25	-	-	-	8	(8)	-100%	-
Other expenditure	-	42 545	-	3 476	10 394	14 182	(3 788)	-27%	-
<b>Total Expenditure</b>	-	<b>137 881</b>	-	<b>10 230</b>	<b>35 868</b>	<b>45 960</b>	<b>(10 092)</b>	<b>-22%</b>	-
<b>Surplus/(Deficit)</b>	-	<b>6 333</b>	-	<b>(8 881)</b>	<b>25 724</b>	<b>2 111</b>	<b>23 613</b>	<b>1119%</b>	-
Transfers and subsidies - capital (monetary alloc	-	26 348	-	-	-	8 783	(8 783)	-100%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>32 681</b>	-	<b>(8 881)</b>	<b>25 724</b>	<b>10 894</b>	<b>14 830</b>	<b>136%</b>	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>32 681</b>	-	<b>(8 881)</b>	<b>25 724</b>	<b>10 894</b>	<b>14 830</b>	<b>136%</b>	-
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>32 681</b>	-	<b>3 416</b>	<b>12 572</b>	<b>10 894</b>	<b>1 679</b>	<b>15%</b>	-
Capital transfers recognised	-	26 348	-	3 416	12 462	8 783	3 680	42%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	6 333	-	-	110	2 111	(2 001)	-95%	-
<b>Total sources of capital funds</b>	-	<b>32 681</b>	-	<b>3 416</b>	<b>12 572</b>	<b>10 894</b>	<b>1 679</b>	<b>15%</b>	-
<b>Financial position</b>									
Total current assets	-	34 146	-	-	47 272	-	-	-	34 146
Total non current assets	-	210 439	-	-	254 723	-	-	-	210 439
Total current liabilities	-	22 346	-	-	32 461	-	-	-	22 346
Total non current liabilities	-	3 191	-	-	12 806	-	-	-	3 191
Community wealth/Equity	-	219 048	-	-	256 728	-	-	-	219 048
<b>Cash flows</b>									
Net cash from (used) operating	-	78 864	-	(65)	27 813	26 288	(1 525)	-6%	-
Net cash from (used) investing	-	(63 811)	-	(3 363)	(9 600)	(21 270)	(11 670)	55%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	-	<b>16 253</b>	-	-	<b>19 717</b>	<b>6 218</b>	<b>(13 499)</b>	<b>-217%</b>	<b>1 504</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dya</b>	<b>151-180 Dya</b>	<b>181 Dya-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	1 026	423	460	4 077	317	286	1 593	17 128	25 311
<b>Creditors Age Analysis</b>									
Total Creditors	568	(2)	(0)	(1)	1 718	-	(95)	95	2 284

## 4.1.2 Table C2: Monthly Budget Statement - Financial

EC126 Ngqushwa - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

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>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		-	162 572	-	1 081	60 952	54 191	6 362	12%	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	162 572	-	1 081	60 952	54 191	6 362	12%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	586	-	-	9	195	(186)	-95%	-
Community and social services		-	586	-	-	9	195	(186)	-95%	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	6 592	-	220	756	2 197	(1 442)	-66%	-
Planning and development		-	91	-	1	13	30	(17)	-56%	-
Road transport		-	6 501	-	219	742	2 167	(1 425)	-66%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	811	-	69	275	270	5	2%	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	58	-	2	7	19	(11)	-61%	-
Waste management		-	755	-	67	268	252	16	6%	-
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	-	170 561	-	1 349	61 592	56 854	4 738	8%	-
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	94 311	-	5 679	20 293	31 437	(11 144)	-35%	-
Executive and council		-	28 080	-	1 530	5 250	9 380	(4 110)	-44%	-
Finance and administration		-	64 163	-	4 068	14 610	21 388	(6 778)	-32%	-
Internal audit		-	2 068	-	82	434	689	(256)	-37%	-
<i>Community and public safety</i>		-	5 390	-	382	1 636	1 797	(161)	-6%	-
Community and social services		-	2 127	-	156	670	709	(39)	-6%	-
Sport and recreation		-	994	-	137	533	331	201	61%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	2 269	-	88	433	756	(323)	-43%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	19 861	-	1 704	6 458	6 627	(169)	-3%	-
Planning and development		-	6 081	-	314	1 557	2 027	(470)	-23%	-
Road transport		-	13 800	-	1 390	4 901	4 600	301	7%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	15 681	-	2 091	6 317	5 227	1 090	21%	-
Energy sources		-	4 697	-	984	1 748	1 632	114	7%	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	10 784	-	1 107	4 571	3 595	976	27%	-
Other		-	2 618	-	375	1 164	873	291	33%	-
<b>Total Expenditure - Functional</b>	<b>3</b>	-	137 881	-	10 230	35 868	45 960	(10 092)	-22%	-
<b>Surplus/ (Deficit) for the year</b>		-	32 681	-	(8 881)	25 724	10 894	14 830	136%	-

### 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) - M04 October

Vote 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 Vote</b>										
Vote 1 - Council General	1	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	102 572	-	1 081	60 552	54 191	6 362	11.7%	-
Vote 3 - Budget and Treasury		-	588	-	-	9	195	(186)	-85.4%	-
Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 5 - Community & Social Services		-	6 501	-	219	742	2 187	(1 425)	-85.8%	-
Vote 6 - Technical services		-	-	-	-	-	-	-	-	-
Vote 7 - other		-	91	-	3	15	30	(15)	-50.5%	-
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	268	252	16	6.4%	-
Vote 12 - [NAME OF VOTE 12]		-	56	-	-	6	19	(13)	-69.2%	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>-</b>	<b>170 561</b>	<b>-</b>	<b>1 349</b>	<b>61 592</b>	<b>58 854</b>	<b>4 738</b>	<b>8.3%</b>	<b>-</b>
<b>Expenditure by Vote</b>										
Vote 1 - Council General	1	-	28 080	-	1 530	5 250	9 380	(4 110)	-43.9%	-
Vote 2 - Municipal Manager		-	84 163	-	4 068	14 610	21 388	(8 778)	-31.7%	-
Vote 3 - Budget and Treasury		-	2 127	-	158	670	709	(39)	-5.5%	-
Vote 4 - Corporate Services		-	4 897	-	984	1 748	1 632	114	7.0%	-
Vote 5 - Community & Social Services		-	13 800	-	1 390	4 901	4 600	301	6.8%	-
Vote 6 - Technical services		-	2 618	-	375	1 164	873	291	33.4%	-
Vote 7 - other		-	6 081	-	314	1 557	2 027	(470)	-23.2%	-
Vote 8 - [NAME OF VOTE 8]		-	994	-	137	533	331	201	60.8%	-
Vote 9 - [NAME OF VOTE 9]		-	2 269	-	88	433	756	(323)	-42.7%	-
Vote 10 - [NAME OF VOTE 10]		-	2 068	-	82	434	689	(256)	-37.1%	-
Vote 11 - [NAME OF VOTE 11]		-	10 784	-	1 107	4 571	3 595	978	27.2%	-
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>	<b>2</b>	<b>-</b>	<b>137 881</b>	<b>-</b>	<b>10 230</b>	<b>35 868</b>	<b>45 960</b>	<b>(10 092)</b>	<b>-22.0%</b>	<b>-</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>-</b>	<b>32 680</b>	<b>-</b>	<b>(8 881)</b>	<b>25 724</b>	<b>10 893</b>	<b>14 830</b>	<b>136.1%</b>	<b>-</b>



### 4.1.4 Table C4: Monthly Budget Statement

EC126 Ngqushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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			28 780		772	27 877	9 593	18 284	191%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue			755		67	268	252	16	6%	
Service charges - other								-		
Rental of facilities and equipment			572		10	51	191	(139)	-73%	
Interest earned - external investments			2 702		108	443	901	(457)	-51%	
Interest earned - outstanding debtors			4 343		161	675	1 448	(773)	-53%	
Dividends received								-		
Fines, penalties and forfeits			3 900		23	75	1 300	(1 225)	-94%	
Licences and permits			2 249		175	563	750	(186)	-25%	
Agency services			509		27	126	170	(43)	-25%	
Transfers and subsidies			95 935		-	31 453	31 978	(525)	-2%	
Other revenue			4 458		7	59	1 489	(1 430)	-96%	
Gains on disposal of PPE								-		
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>144 213</b>		<b>1 349</b>	<b>61 592</b>	<b>48 071</b>	<b>13 521</b>	<b>28%</b>	
<b>Expenditure By Type</b>										
Employee related costs			66 807		5 336	21 260	22 269	(1 009)	-5%	
Remuneration of councillors			9 439		712	2 904	3 146	(243)	-8%	
Debt impairment			2 170				723	(723)	-100%	
Depreciation & asset impairment			15 053				5 018	(5 018)	-100%	
Finance charges			2 100		106	119	700	(581)	-83%	
Bulk purchases								-		
Other materials			1 911		601	1 192	637	555	87%	
Contracted services			23 482		2 489	6 591	7 827	(1 237)	-16%	
Transfers and subsidies			25				8	(8)	-100%	
Other expenditure			16 893		987	3 603	5 631	(1 828)	-32%	
Loss on disposal of PPE								-		
<b>Total Expenditure</b>			<b>137 881</b>		<b>10 230</b>	<b>35 689</b>	<b>45 960</b>	<b>(10 092)</b>	<b>-22%</b>	
<b>Surplus/(Deficit)</b>										
			<b>6 332</b>		<b>(8 881)</b>	<b>25 724</b>	<b>2 111</b>	<b>23 613</b>	<b>0</b>	
(National / Provincial and District)			26 348				8 783	(8 783)	(0)	
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers and subsidies - capital (in-kind - all)										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>32 681</b>		<b>(8 881)</b>	<b>25 724</b>	<b>10 894</b>			
Taxation										
<b>Surplus/(Deficit) after taxation</b>			<b>32 681</b>		<b>(8 881)</b>	<b>25 724</b>	<b>10 894</b>			
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>			<b>32 681</b>		<b>(8 881)</b>	<b>25 724</b>	<b>10 894</b>			
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>			<b>32 681</b>		<b>(8 881)</b>	<b>25 724</b>	<b>10 894</b>			

### 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) - M04 October

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		-	4 318	-	-	110	1 439	(1 329)	-92%	-
Executive and council			10				3	(3)	-100%	
Finance and administration			4 308			110	1 436	(1 326)	-92%	
Internal audit										
<i>Community and public safety</i>		-	3 400	-	-	453	1 133	(680)	-60%	-
Community and social services			1 500			453	500	(47)	-9%	
Sport and recreation			1 900				633	(633)	-100%	
Public safety										
Housing										
Health										
<i>Economic and environmental services</i>		-	19 631	-	2 368	10 960	6 544	4 417	67%	-
Planning and development			15				5	(5)	-100%	
Road transport			19 616		2 368	10 960	6 539	(4 171)	-64%	
Environmental protection										
<i>Trading services</i>		-	5 332	-	1 048	1 048	1 777	(729)	-41%	-
Energy sources			5 332		1 048	1 048	1 777	(729)	-41%	
Water management										
Waste water management										
Waste management										
Other										
<b>Total Capital Expenditure - Functional Classification</b>	3	-	32 681	-	3 416	12 572	10 894	1 679	15%	-
<b>Funded by:</b>										
National Government			26 348		3 416	12 462	8 783	3 680	42%	
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital		-	26 348	-	3 416	12 462	8 783	3 680	42%	-
Public contributions & donations	5									
Borrowing	6									
Internally generated funds			6 333		-	110	2 111	(2 001)	-95%	
<b>Total Capital Funding</b>		-	32 681	-	3 416	12 572	10 894	1 679	15%	-

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

EC126 Ngqushwa - Table C6 Monthly Budget Statement - Financial Position - M04 October

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		10 080	1 266	
Call investment deposits			-		12 094	-	
Consumer debtors			19 546		20 026	19 546	
Other debtors			9 988		1 828	9 988	
Current portion of long-term receivables			-		-	-	
Inventory			3 346		3 243	3 346	
<b>Total current assets</b>			-	34 146	-	47 272	34 146
<b>Non current assets</b>							
Long-term receivables			-			-	
Investments			-			-	
Investment property			24 058		16 184	24 058	
Investments in Associate			-			-	
Property, plant and equipment			185 133		237 574	185 133	
Agricultural			-			-	
Biological			-			-	
Intangible			1 248		965	1 248	
Other non-current assets			-		0	-	
<b>Total non current assets</b>			-	210 439	-	254 723	210 439
<b>TOTAL ASSETS</b>			-	244 585	-	301 994	244 585
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft			-			-	
Borrowing			-			-	
Consumer deposits			-		73	-	
Trade and other payables			22 346		27 933	22 346	
Provisions			-		4 454	-	
<b>Total current liabilities</b>			-	22 346	-	32 461	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	-	45 267	25 537
<b>NET ASSETS</b>	2		-	219 048	-	256 728	219 048
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)				219 048		77 471	219 048
Reserves						179 257	
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2		-	219 048	-	256 728	219 048

#### MONTHLY BUDGET STATEMENT FOR OCTOBER 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 - M04 October

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		11 621	25 967	19 599	6 368	32%		
Service charges			1 511		39	279	504	(224)	-45%		
Other revenue			12 054		554	10 245	4 018	6 227	155%		
Government - operating			95 935		-	34 587	31 978	2 608	8%		
Government - capital			26 348		-	8 527	8 783	(255)	-3%		
Interest			7 045		108	450	2 348	(1 898)	-81%		
Dividends			-		-	-	-	-			
<b>Payments</b>											
Suppliers and employees			(120 703)		(12 366)	(52 242)	(40 234)	12 008	-30%		
Finance charges			(2 100)		-	-	(700)	(700)	100%		
Transfers and Grants			(25)		-	-	(8)	(8)	100%		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			-	78 864	-	(65)	27 813	28 288	(1 525)	-6%	-
<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)				(10 377)	10 377	-100%		
<b>Payments</b>											
Capital assets			(32 681)		(3 363)	(9 600)	(10 894)	(1 293)	12%		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			-	(63 811)	-	(3 363)	(9 600)	(21 270)	(11 670)	55%	-
<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>NET INCREASE/ (DECREASE) IN CASH HELD</b>			-	15 053	-	(3 427)	18 213	5 018		-	
Cash/cash equivalents at beginning:			1 200			1 504	1 200			1 504	
Cash/cash equivalents at month/year end			16 253			19 717	6 218			1 504	

## PART 2 – SUPPORTING DOCUMENTATION

### Section 5 – Debtors' analysis

EC126 Ngqushwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2018/19									Total over 90 days	Actual Bad Debt Written Off against Debtors	Impairment - Bad Debtors I.L. Council Policy		
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dyo-1 Tr	Over 1Tr	Total					
<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	714	173	241	3 861	114	81	405	10 031	15 620	14 422	--	--		
Receivables from Exchange Transactions - Waste Water Management	1500	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Receivables from Exchange Transactions - Waste Management	1600	72	54	25	39	21	23	142	630	1 209	1 052	--	--		
Receivables from Exchange Transactions - Property Rental Debtors	1700	11	1	--	--	--	--	--	124	136	124	--	--		
Interest on Arrear Debtors Accounts	1810	230	153	180	188	181	183	1 038	6 143	8 345	7 733	--	--		
Recoverable unauthorised, irregular, careless and wasteful expenditure	1820	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Other	1900	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total By Income Source</b>	<b>2000</b>	<b>1 028</b>	<b>423</b>	<b>466</b>	<b>4 077</b>	<b>317</b>	<b>288</b>	<b>1 663</b>	<b>17 128</b>	<b>25 911</b>	<b>23 491</b>	<b>--</b>	<b>--</b>		
<b>2017/18 - totals only</b>															
<b>Debtors Age Analysis By Customer Group</b>															
Organs of State	2200	72	(15)	127	3 295	45	49	271	4 313	6 127	7 943	--	--		
Commercial	2300	263	141	84	122	74	73	409	2 521	3 898	3 209	--	--		
Households	2400	226	253	208	184	157	123	682	6 389	6 323	7 544	--	--		
Other	2500	393	44	42	507	40	41	231	3 886	5 183	4 705	--	--		
<b>Total By Customer Group</b>	<b>2000</b>	<b>1 028</b>	<b>422</b>	<b>466</b>	<b>4 077</b>	<b>317</b>	<b>288</b>	<b>1 662</b>	<b>17 128</b>	<b>25 911</b>	<b>23 491</b>	<b>--</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 - M04 October

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	--	--
Loan repayments	0600	--	--	--	--	--	--	--	--	--	--	--	--
Trade Creditors	0700	532	(2)	(0)	(1)	1 702	--	(95)	95	2 231	--	--	
Auditor General	0800	--	--	--	--	--	--	--	--	--	--	--	--
Other	0900	37	--	--	--	18	--	--	--	--	53	--	--
<b>Total By Customer Type</b>	<b>1000</b>	<b>568</b>	<b>(2)</b>	<b>(0)</b>	<b>(1)</b>	<b>1 718</b>	<b>--</b>	<b>(95)</b>	<b>95</b>	<b>2 284</b>	<b>--</b>	<b>--</b>	

The amount in over 90 days refer to Kwane capital.

## Section 7 – Investment portfolio analysis

### 7.1 Supporting Table SC5

EC126 Ngqushwa - Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M04 October

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							
<b>R thousands</b>									
<b>Municipality</b>									
62414349763		Months	Short-term	30-06-2019	-		485	(277)	208
74773942899		Months	Short-term	30-06-2019	-		-	12 094	12 094
<b>Municipality sub-total</b>					-		485	11 818	12 302
<b>Entities</b>									
<b>Entities sub-total</b>					-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	2				-		485	11 818	12 302

### 7.2 Additional Information

The Statement of financial position includes the following:

Item	R thousands
Cash	7 414 292.03
Call investment /deposits Investments	12 302 261.6
<b>TOTAL</b>	<b>19 716 553.63</b>

The following commitments exist against these available resources:

Item	R thousands
Unspent grants	-139 115.43
Unpaid creditors	2 283 566.68
<b>TOTAL</b>	<b>2 144 451.25</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 - M04 October

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>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>	1.2									
<b>National Government:</b>		-	80 489	-	-	34 687	26 830	8 370	23.7%	-
Local Government Equitable Share			75 489		-	31 453	25 163	6 290	25.0%	
Finance Management			2 415		-	2 415	805			
EPWP Incentive			1 480		-	370	493			
	3									
PMU			1 106			449	369	80	21.7%	
<b>Provincial Government:</b>		-	369	-	-	-	123	(123)	-100.0%	-
Sport and Recreation			369				123	(123)	-100.0%	
Other transfers and grants (insert description)										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	78	-	-	-	26	(26)	-100.0%	-
LG Sets			78				26	(26)	-100.0%	
<b>Total Operating Transfers and Grants</b>	5	-	80 935	-	-	34 687	26 978	6 222	23.1%	-
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	26 348	-	1 332	9 859	8 783	1 077	12.3%	-
Municipal Infrastructure Grant (MIG)			21 016		-	8 527	7 005	1 522	21.7%	
INEP			5 332		1 332	1 332	1 777	(445)	-25.1%	
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	-	26 348	-	1 332	9 859	8 783	1 077	12.3%	-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	107 283	-	1 332	44 546	35 761	7 298	20.4%	-

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

EC126 Ngqushwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

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>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	80 489	-	12 957	32 218	26 830	5 388	20.1%	-
Local Government Equitable Share			75 488		12 566	31 453	25 163	6 290	25.0%	
Finance Management			2 415		91	244	805	(561)	-69.7%	
EPWP Incentive			1 480		219	219	493	(274)	-55.6%	
PMU			1 106		81	302	369	(67)	-18.0%	
Provincial Government:		-	389	-	-	-	123	(123)	-100.0%	-
Sport and Recreation			369				123	(123)	-100.0%	
Other transfers and grants (insert description)										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	78	-	-	-	26	(26)	-100.0%	-
L.G Self			78				26	(26)	-100.0%	
<b>Total operating expenditure of Transfers and Grants:</b>		-	80 835	-	12 957	32 218	26 878	5 240	19.4%	-
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		-	26 348	-	3 416	12 462	6 783	3 680	41.9%	-
Municipal Infrastructure Grant (MIG)			21 016		2 368	11 414	7 005	4 409	62.9%	
INEP			5 332		1 048	1 048	1 777	(729)	-41.0%	
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		-	26 348	-	3 416	12 462	6 783	3 680	41.9%	-
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	107 283	-	16 373	44 680	35 781	8 919	24.9%	-

## 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 31 October 2018 are:**

<b>Grant</b>	<b>R thousands</b>
Municipal Infrastructure Grant (MIG)	-2 744 423.82
Financial Management Grant (FMG)	2 170 929.02
Integrated Electrification Municipal Programme	283 526.27
Extended Public Works Programme Grant (EPWP)	150 853.1
<b>Unspent grant balances</b>	<b>-139 115.43</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 - M04 October

Summary of Employee and Councillor remuneration	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		A	B	C					D	
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages			8 454		543	2 303	2 818	(515)	-18%	
Pension and UIF Contributions			-		15	61	-	61	#DIV/0!	
Medical Aid Contributions			-		3	11	-	11	#DIV/0!	
Motor Vehicle Allowance			353		66	175	118	57	49%	
Cellphone Allowance			633		85	354	211	143	68%	
Housing Allowances			-		-	-	-	-		
Other benefits and allowances			-		-	-	-	-		
<b>Sub Total - Councillors</b>			9 439		712	2 904	3 146	(243)	-8%	
% increase	4		#DIV/0!							
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages			4 642		379	1 707	1 547	160	10%	
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>			4 642		379	1 707	1 547	160	10%	
% increase	4		#DIV/0!							
<b>Other Municipal Staff</b>										
Basic Salaries and Wages			52 947		3 801	15 128	17 649	(2 521)	-14%	
Pension and UIF Contributions			415		596	2 270	138	2 132	1541%	
Medical Aid Contributions			2 054		215	851	685	167	24%	
Overtime			454		26	101	151	(51)	-33%	
Performance Bonus			3 347		-	-	1 116	(1 116)	-100%	
Motor Vehicle Allowance			1 688		202	818	629	189	30%	
Cellphone Allowance			-		24	101	-	101	#DIV/0!	
Housing Allowances			183		10	62	61	0	1%	
Other benefits and allowances			-		51	107	-	107	#DIV/0!	
Payments in lieu of leave			765		-	45	255	(210)	-83%	
Long service awards			112		31	70	37	32	87%	
Post-retirement benefit obligations			-		-	-	-	-		
<b>Sub Total - Other Municipal Staff</b>			62 185		4 956	19 553	20 722	(1 169)	-6%	
% increase	4		#DIV/0!							
<b>Total Parent Municipality</b>			76 247		6 048	24 164	25 416	(1 252)	-5%	
Unpaid salary, allowances & benefits in arrears:			-		-	-	-	-		
<b>Total Municipal Entities</b>			-		-	-	-	-		
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>			76 247		6 048	24 164	25 416	(1 252)	-5%	
% increase	4		#DIV/0!							
<b>TOTAL MANAGERS AND STAFF</b>			66 807		5 336	21 260	22 269	(1 009)	-5%	

## 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 - M04 October

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		4 896	9 156	9 247	91	1.0%	28%
October		3 082		3 416	12 572	12 329	(243)	-2.0%	38%
November		3 082				15 412	-		
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	-		
<b>Total Capital expenditure</b>	-	32 681	-	12 572					

The Municipality has spent 38 % of the total original capital budget and 27.7% compared to year to date budget as at 31 October 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 OCTOBER 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 - M04 October

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	850	-	573	573	283	(289)	-102.1%	-
Roads Infrastructure		-	624	-	182	182	208	26	12.6%	-
Roads			624		182	182	208	26	12.6%	
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	228	-	391	391	75	(316)	-418.1%	-
Power Plants			228		391	391	75	(316)	-418.1%	
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
<b>Other assets</b>		-	131	-	3	161	44	(118)	-269.7%	-
Operational Buildings		-	131	-	3	161	44	(118)	-269.7%	-
Municipal Offices			131		3	161	44	(118)	-269.7%	
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing		-	-	-	-	-	-	-	-	-
Staff Housing										
Social Housing										
Capital Spares										
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Local Settlement Software Applications										
Unspecified										
<b>Computer Equipment</b>		-	78	-	-	-	28	28	100.0%	-
Computer Equipment			78				28	28	100.0%	
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
<b>Machinery and Equipment</b>		-	150	-	-	-	50	50	100.0%	-
Machinery and Equipment			150				50	50	100.0%	
<b>Transport Assets</b>		-	600	-	25	458	200	(258)	-128.9%	-
Transport Assets			600		25	458	200	(258)	-128.9%	
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land										
<b>Zoo's, Marine and Non-biological Animals</b>		(314)	-	287	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		(314)		287						
<b>Total Repairs and Maintenance Expenditure</b>	1	(314)	1 610	287	601	1 192	603	(589)	-97.6%	-

## **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 October 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

12/11/2018