



NGQUSHWA LOCAL MUNICIPALITY
MONTHLY BUDGET STATEMENT
NOVEMBER 2019

MONTHLY BUDGET STATEMENT FOR NOVEMBER 2019

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

PURPOSE

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

BACKGROUND

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

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

1. DELIBERATIONS

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

4. RECOMMENDATION

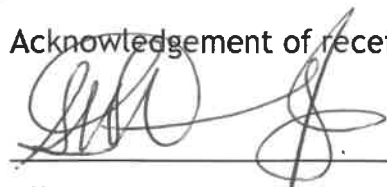
It is recommended that the mayor acknowledges receipt of the report and deal with it in accordance with the relevant prescripts of the legislation.

Yours faithfully,



MUNICIPAL MANAGER

Acknowledgement of receipt



Cllr

MAYOR

Date

2020/01/20

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 2019

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Glossary

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

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

Budget – The financial plan of the Municipality.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Virement – A transfer of budget.

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

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

Legislative Framework

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

The Municipal Finance Management Act – No. 56 of 2003

Section 71: Monthly budget statements

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

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

Format of monthly budget statements

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

Tabling of monthly budget statements

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

Publication of monthly budget statements

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

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

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

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

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

PART 1 – IN-YEAR REPORT

Section 1 – Mayor’s Report

1.1 In-Year Report - Monthly Budget Statement

Mayor’s report

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

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

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

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

1.1.1 Implementation of budget in terms of SDBIP

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

1.1.2 Other information

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

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

Section 2 - Resolutions

Resolutions

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

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

IN-YEAR REPORTS 2019-2020

RECOMMENDATION:

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

Section 3 – Executive Summary

3 Section 3 – Executive Summary

Executive summary

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

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

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

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

and note

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

3.1 Introduction

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

3.2 Consolidated performance

3.2.1 Against annual budget

Revenue by Source

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

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		31,240	38,821		382	37,252	16,175	21,076	130%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue		806	636		123	617	265	352	133%	
Rental of facilities and equipment		157	686		28	143	286	(143)	-50%	
Interest earned - external investments		1,212	2,916		46	604	1,215	(611)	-50%	
Interest earned - outstanding debtors		2,086	5,032		439	1,529	2,097	(568)	-27%	
Dividends received					-	-		-		
Fines, penalties and forfeits		1,155	5,681		4	129	2,367	(2,238)	-95%	
Licences and permits		1,756	2,366		224	1,038	986	52	5%	
Agency services		392	536		33	177	223	(46)	-21%	
Transfers and subsidies		88,625	89,199		14	37,961	37,166	794	2%	
Other revenue		955	4,860		39	135	2,025	(1,890)	-93%	
Gains on disposal of PPE					-			-		
Total Revenue (excluding capital transfers and contributions)		128,384	150,732	-	1,333	79,583	62,805	16,778	27%	-

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 37 251 725.67 with 85% over billing variance when compared to the year to date budget. This is due to the customers that are billed annually and these customers were billed in the month of July 2019. The Municipality is implementing a new General Valuation in the financial year 2019/20, and the properties have increased since.

Service charges

Service charges on refuse revenue are R 617 193.95 or 33% over billed than the year to date budget. This is due to the customers that are billed annually and were billed in the month of July 2019. These are mainly properties owned by the government departments.

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

The municipality has under collected on other own revenue with 93% compared to year to date budget.

Expenditure by Type

Expenditure By Type									
Employee related costs	66,713	69,482		5,426	28,382	28,951	(569)	-2%	
Remuneration of councillors	8,575	9,051		728	3,655	3,771	(117)	-3%	
Debt impairment	399	1,756		-	-	732	(732)	-100%	
Depreciation & asset impairment	20,894	10,576		-	-	4,406	(4,406)	-100%	
Finance charges	788			4	8	-	8	#DIV/0!	
Bulk purchases				-	-	-	-		
Other materials	2,820	2,630		352	1,165	1,095	69	6%	
Contracted services	27,183	18,954		1,465	7,521	7,898	(376)	-5%	
Transfers and subsidies	50	53		-	50	22	28	128%	
Other expenditure	19,385	19,585		1,688	8,622	8,161	461	6%	
Loss on disposal of PPE				-	-	-	-		
Total Expenditure	146,807	132,087	-	9,664	49,402	55,036	(5,635)	-10%	-

The actual expenditure with regards to debt impairment will be reported annually and depreciation will be reported half yearly.

General expenditure shows an over expenditure of 6% or R 460 987 compared to the year to date budget.

Capital Expenditure

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

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
Governance and administration		2,077	2,660	-	-	201	1,108	(907)	-82%	140
Executive and council								-		
Finance and administration		2,077	2,660		-	201	1,108	(907)	-82%	140
Internal audit								-		
Community and public safety		15,666	1,200	-	-	206	500	(294)	-59%	258
Community and social services		15,666						-		
Sport and recreation			1,200		-	206	500	(294)	-59%	61
Public safety								-		
Housing								-		197
Health								-		
Economic and environmental services		15,838	21,429	-	773	6,528	8,929	(2,401)	-27%	-
Planning and development								-		
Road transport		15,838	21,429		773	6,528	8,929	(2,401)	-27%	
Environmental protection								-		
Trading services		-	5,160	-	-	-	2,150	(2,150)	-100%	-
Energy sources			5,160				2,150	(2,150)	-100%	
Water management								-		
Waste water management								-		
Waste management								-		
Other								-		
Total Capital Expenditure - Functional Classification	3	33,582	30,449	-	773	6,935	12,687	(5,752)	-45%	398
Funded by:										
National Government		31,332	26,639		773	6,528	11,100	(4,572)	-41%	
Provincial Government								-		
District Municipality								-		
Other transfers and grants								-		
Transfers recognised - capital		31,332	26,639	-	773	6,528	11,100	(4,572)	-41%	-
Borrowing	6							-		
Internally generated funds		2,249	3,810		-	407	1,588	(1,181)	-74%	407
Total Capital Funding		33,582	30,449	-	773	6,935	12,687	(5,752)	-45%	407

The expenditure for the month of October 2019 is R 2 009 426.88 which is 6.6 % of the total annual capital budget amount. The expenditure this month comprises:

- Construction of Legeni Community Hall
- Construction of Lewis Community Hall
- Construction of Rura Internal Streets
- Construction of Mpekwani Internal Streets
- Construction of Peddie Town Streets

All of the total expenditure that is stated above is funded from the Municipal Infrastructure Grant (MIG)

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	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	31,240	38,821	-	382	37,252	16,175	21,076	130%	-
Service charges	806	636	-	123	617	265	352	133%	-
Investment revenue	1,212	2,916	-	46	604	1,215	(611)	-50%	-
Transfers and subsidies	88,625	89,199	-	14	37,961	37,166	794	2%	-
Other own revenue	6,501	19,160	-	768	3,150	7,983	(4,833)	-61%	-
Total Revenue (excluding capital transfers and contributions)	128,384	150,732	-	1,333	79,583	62,805	16,778	27%	-
Employee costs	66,713	69,482	-	5,426	28,382	28,951	(569)	-2%	-
Remuneration of Councillors	8,575	9,051	-	728	3,655	3,771	(117)	-3%	-
Depreciation & asset impairment	20,894	10,576	-	-	-	4,406	(4,406)	-100%	-
Finance charges	788	-	-	4	8	-	8	#DIV/0!	-
Materials and bulk purchases	2,620	2,630	-	352	1,165	1,096	69	6%	-
Transfers and subsidies	50	53	-	-	50	22	28	128%	-
Other expenditure	46,966	40,296	-	3,154	16,143	16,790	(647)	-4%	-
Total Expenditure	146,807	132,087	-	9,664	49,402	55,036	(5,635)	-10%	-
Surplus/(Deficit)	(18,423)	18,645	-	(8,331)	30,182	7,769	22,413	288%	-
Transfers and subsidies - capital (monetary alloc	31,816	26,539	-	-	-	11,058	(11,058)	-100%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	13,393	45,184	-	(8,331)	30,182	18,827	11,355	60%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	13,393	45,184	-	(8,331)	30,182	18,827	11,355	60%	-
Capital expenditure & funds sources									
Capital expenditure	33,582	30,449	-	773	6,935	12,687	(5,752)	-45%	-
Capital transfers recognised	31,332	26,639	-	773	6,528	11,100	(4,572)	-41%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2,249	3,810	-	-	407	1,588	(1,181)	-74%	407
Total sources of capital funds	33,582	30,449	-	773	6,935	12,687	(5,752)	-45%	407
Financial position									
Total current assets	34,929	39,121	-	-	70,688	-	-	-	39,121
Total non current assets	279,932	311,745	-	-	286,228	-	-	-	311,745
Total current liabilities	21,253	14,624	-	-	35,065	-	-	-	14,624
Total non current liabilities	13,829	12,806	-	-	13,829	-	-	-	-
Community wealth/Equity	279,779	278,252	-	-	308,022	-	-	-	278,252
Cash flows									
Net cash from (used) operating	-	34,069	-	(4,709)	14,700	14,200	(500)	-4%	-
Net cash from (used) investing	-	(25,449)	-	(974)	(117)	(10,604)	(10,487)	99%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	-	10,124	-	-	15,895	5,100	(10,795)	-212%	1,312
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	1,785	627	453	469	22,103	357	2,446	18,734	46,976
Creditors Age Analysis									
Total Creditors	390	(0)	0	1	3	(1)	-	-	393

4.1.2 Table C2: Monthly Budget Statement - Financial

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

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		155,653	167,290	-	938	77,108	69,704	7,404	11%	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		155,653	167,290	-	938	77,108	69,704	7,404	11%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		455	670	-	2	512	279	233	83%	-
Community and social services		455	649	-	2	512	271	241	89%	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	21	-	-	-	9	(9)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		3,267	8,616	-	268	1,339	3,590	(2,251)	-63%	-
Planning and development		63	220	-	22	57	92	(35)	-38%	-
Road transport		3,203	8,396	-	246	1,282	3,498	(2,216)	-63%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		825	695	-	125	625	289	336	116%	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		19	59	-	1	8	25	(17)	-68%	-
Waste management		806	636	-	123	617	265	352	133%	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	160,200	177,271	-	1,333	79,584	73,863	5,721	8%	-
Expenditure - Functional										
<i>Governance and administration</i>		100,927	85,297	-	5,903	29,165	35,540	(6,376)	-18%	-
Executive and council		24,243	18,852	-	1,476	7,847	7,855	(8)	0%	-
Finance and administration		75,055	64,443	-	4,310	20,335	26,851	(6,517)	-24%	-
Internal audit		1,629	2,002	-	117	983	834	148	18%	-
<i>Community and public safety</i>		13,966	15,120	-	1,104	5,839	6,300	(461)	-7%	-
Community and social services		1,928	2,315	-	97	423	965	(542)	-56%	-
Sport and recreation		1,685	1,830	-	137	766	782	4	1%	-
Public safety		9,099	9,634	-	633	3,841	4,014	(173)	-4%	-
Housing		1,254	1,341	-	236	808	559	249	45%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		10,256	8,660	-	1,040	4,885	3,608	1,277	35%	-
Planning and development		4,760	4,852	-	500	2,215	2,022	193	10%	-
Road transport		5,496	3,807	-	539	2,670	1,586	1,083	68%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		17,695	18,385	-	1,370	8,441	7,660	781	10%	-
Energy sources		5,087	5,014	-	435	2,514	2,089	425	20%	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		12,608	13,370	-	935	5,927	5,571	356	6%	-
Other		3,963	4,625	-	248	1,072	1,927	(855)	-44%	-
Total Expenditure - Functional	3	146,807	132,087	-	9,664	49,402	55,036	(5,635)	-10%	-
Surplus/ (Deficit) for the year		13,393	45,184	-	(8,331)	30,182	18,827	11,355	60%	-

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

EC126 Nggqushwa - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 November

Vote Description		2018/19	Budget Year 2019/20							
	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - Vote 1 - Executive and Council	1	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		155,653	167,290	-	938	77,108	69,704	7,404	10.6%	-
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		455	649	-	2	512	271	241	89.2%	-
Vote 5 - Energy services		-	-	-	-	-	-	-	-	-
Vote 6 - Road Transport		3,203	8,417	-	246	1,282	3,507	(2,225)	-63.4%	-
Vote 7 - Other		-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		63	220	-	22	57	92	(35)	-38.1%	-
Vote 9 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 10 - Vote 10 - Housing		-	-	-	-	-	-	-	-	-
Vote 11 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 12 - Waste Management		806	636	-	123	617	265	352	133.0%	-
Vote 13 - Waste Water Management		19	59	-	1	8	25	(17)	-69.3%	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	160,200	177,271	-	1,333	79,583	73,863	5,720	7.7%	-
Expenditure by Vote										
Vote 1 - Vote 1 - Executive and Council	1	24,243	18,852	-	1,476	7,847	7,855	(8)	-0.1%	-
Vote 2 - Finance and Administration		75,055	64,443	-	4,310	20,335	26,851	(6,517)	-24.3%	-
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		1,928	2,315	-	97	423	965	(542)	-56.1%	-
Vote 5 - Energy services		5,087	5,014	-	435	2,514	2,089	425	20.3%	-
Vote 6 - Road Transport		14,594	13,441	-	1,173	5,511	5,601	910	16.3%	-
Vote 7 - Other		3,963	4,625	-	248	1,072	1,927	(855)	-44.4%	-
Vote 8 - Planning and Development		4,760	4,852	-	500	2,215	2,022	193	9.6%	-
Vote 9 - Sport and Recreation		1,685	1,830	-	137	766	762	4	0.5%	-
Vote 10 - Vote 10 - Housing		1,254	1,341	-	236	808	559	249	44.6%	-
Vote 11 - Internal Audit		1,629	2,002	-	117	983	834	148	17.8%	-
Vote 12 - Waste Management		12,608	13,370	-	935	5,927	5,571	356	6.4%	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	146,807	132,087	-	9,664	49,402	55,036	(5,635)	-10.2%	-
Surplus/ (Deficit) for the year	2	13,393	45,184	-	(8,331)	30,182	18,827	11,355	60.3%	-

4.1.4 Table C4: Monthly Budget Statement

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

Table 3-4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - m05 November										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		31,240	38,821		382	37,252	16,175	21,076	130%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue		806	636		123	617	265	352	133%	
Rental of facilities and equipment		157	686		28	143	286	(143)	-50%	
Interest earned - external investments		1,212	2,916		46	604	1,215	(611)	-50%	
Interest earned - outstanding debtors		2,086	5,032		439	1,529	2,097	(568)	-27%	
Dividends received					-	-		-		
Fines, penalties and forfeits		1,155	5,681		4	129	2,367	(2,238)	-95%	
Licences and permits		1,756	2,366		224	1,038	986	52	5%	
Agency services		392	536		33	177	223	(46)	-21%	
Transfers and subsidies		88,625	89,199		14	37,961	37,166	794	2%	
Other revenue		955	4,860		39	135	2,025	(1,890)	-93%	
Gains on disposal of PPE					-			-		
Total Revenue (excluding capital transfers and contributions)		128,384	150,732	-	1,333	79,583	62,805	16,778	27%	-
Expenditure By Type										
Employee related costs		66,713	69,482		5,426	28,382	28,951	(569)	-2%	
Remuneration of councillors		8,575	9,051		728	3,655	3,771	(117)	-3%	
Debt impairment		399	1,756		-	-	732	(732)	-100%	
Depreciation & asset impairment		20,894	10,576		-	-	4,406	(4,406)	-100%	
Finance charges		788			4	8	-	8	#DIV/0!	
Bulk purchases					-	-	-	-		
Other materials		2,620	2,630		352	1,165	1,096	69	6%	
Contracted services		27,183	18,954		1,466	7,521	7,898	(376)	-5%	
Transfers and subsidies		50	53		-	50	22	28	128%	
Other expenditure		19,385	19,585		1,688	8,622	8,161	461	6%	
Loss on disposal of PPE					-	-	-	-		
Total Expenditure		146,807	132,087	-	9,664	49,402	55,036	(5,635)	-10%	-
Surplus/(Deficit)		(18,423)	18,645	-	(8,331)	30,182	7,769	22,413	0	-
Transfers and subsidies - capital (primary authority)										
(National / Provincial and District)		31,816	26,539				11,058	(11,058)	(0)	
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)							-	-		
Transfers and subsidies - capital (in-kind - all)							-	-		
Surplus/(Deficit) after capital transfers & contributions		13,393	45,184	-	(8,331)	30,182	18,827			-
Taxation								-		
Surplus/(Deficit) after taxation		13,393	45,184	-	(8,331)	30,182	18,827			-
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		13,393	45,184	-	(8,331)	30,182	18,827			-
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		13,393	45,184	-	(8,331)	30,182	18,827			-

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) - M05 November

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
Governance and administration		2,077	2,660	-	-	201	1,108	(907)	-82%	140
Executive and council								-		
Finance and administration		2,077	2,660		-	201	1,108	(907)	-82%	140
Internal audit								-		
Community and public safety		15,666	1,200	-	-	206	500	(294)	-59%	258
Community and social services		15,666						-		
Sport and recreation			1,200		-	206	500	(294)	-59%	61
Public safety								-		
Housing								-		197
Health								-		
Economic and environmental services		15,838	21,429	-	773	6,528	8,929	(2,401)	-27%	-
Planning and development								-		
Road transport		15,838	21,429		773	6,528	8,929	(2,401)	-27%	
Environmental protection								-		
Trading services		-	5,160	-	-	-	2,150	(2,150)	-100%	-
Energy sources			5,160				2,150	(2,150)	-100%	
Water management								-		
Waste water management								-		
Waste management								-		
Other								-		
Total Capital Expenditure - Functional Classification	3	33,582	30,449	-	773	6,935	12,687	(5,752)	-45%	398
Funded by:										
National Government		31,332	26,639		773	6,528	11,100	(4,572)	-41%	
Provincial Government								-		
District Municipality								-		
Other transfers and grants								-		
Transfers recognised - capital		31,332	26,639	-	773	6,528	11,100	(4,572)	-41%	-
Borrowing	6							-		
Internally generated funds		2,249	3,810		-	407	1,588	(1,181)	-74%	407
Total Capital Funding		33,582	30,449	-	773	6,935	12,687	(5,752)	-45%	407

4.1.6 Table C6: Monthly Budget Statement - Financial Position

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

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1,312	10,124		7,482	10,124
Call investment deposits		–	–		4,000	
Consumer debtors		6,796	13,490		45,520	13,490
Other debtors		16,658	5,654		3,833	5,654
Current portion of long-term receivables		311	–		–	–
Inventory		9,853	9,853		9,853	9,853
Total current assets		34,929	39,121	–	70,688	39,121
Non current assets						
Long-term receivables						
Investments						
Investment property		26,674	28,095		26,673	28,095
Investments in Associate			–			
Property, plant and equipment		252,588	282,775		258,855	282,775
Biological						
Intangible		671	875		700	875
Other non-current assets		0			0	
Total non current assets		279,932	311,745	–	286,228	311,745
TOTAL ASSETS		314,861	350,866	–	356,916	350,866
LIABILITIES						
Current liabilities						
Bank overdraft						
Borrowing						
Consumer deposits					73	
Trade and other payables		21,253	14,624		29,956	14,624
Provisions					5,036	
Total current liabilities		21,253	14,624	–	35,065	14,624
Non current liabilities						
Borrowing			–		–	–
Provisions		13,829	12,806		13,829	
Total non current liabilities		13,829	12,806	–	13,829	–
TOTAL LIABILITIES		35,082	27,430	–	48,895	14,624
NET ASSETS	2	279,779	323,436	–	308,022	336,242
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		279,779	278,252		218,347	278,252
Reserves					89,675	
TOTAL COMMUNITY WEALTH/EQUITY	2	279,779	278,252	–	308,022	278,252

MONTHLY BUDGET STATEMENT FOR NOVEMBER 2019

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

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

EC126 Ngqushwa - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			23,293		3,071	17,316	9,705	7,610	78%	
Service charges			381		103	418	159	260	163%	
Other revenue			8,477		331	2,333	3,532	(1,199)	-34%	
Government - operating			89,199		2,229	41,102	37,166	3,935	11%	
Government - capital			26,539			8,552	11,058	(2,506)	-23%	
Interest			5,935		46	604	2,473	(1,869)	-76%	
Dividends										
Payments										
Suppliers and employees			(119,702)		(10,490)	(55,293)	(49,876)	5,417	-11%	
Finance charges										
Transfers and Grants			(53)				(18)	(18)	100%	
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	34,069	-	(4,709)	15,031	14,200	(831)	-6%	-
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE						9		9	#DIV/0!	
Decrease (Increase) in non-current debtors			5,000				2,083	(2,083)	-100%	
Decrease (Increase) other non-current receivables										
Decrease (Increase) in non-current investments										
Payments										
Capital assets			(30,449)		(974)	(7,451)	(12,687)	(5,236)	41%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(25,449)	-	(974)	(7,442)	(10,604)	(3,162)	30%	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		-	8,620	-	(5,683)	7,589	3,596			-
Cash/cash equivalents at beginning:			1,504			1,312	1,504			1,312
Cash/cash equivalents at monthly year end:		-	10,124	-		8,901	5,100			1,312

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Debtors' analysis

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

Description		Budget Year 2018/20											Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.e. Council Policy
NT Code		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-180 Days	181-180 Days	181 Dya-1 Yr	Over 1Yr	Total					
R thousands															
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	614	630	148	173	21,844	116	830	10,376	34,521	33,141	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	242	(3)	70	62	55	28	157	874	1,485	1,176	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	46	-	22	20	-	-	-	107	195	127	-	-	-	-
Interest on Arrear Debtor Accounts	1810	884	-	215	213	203	213	1,660	7,377	10,765	9,665	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	1,788	627	463	469	22,103	357	2,446	18,784	46,979	44,109	-	-	-	-
2018/19 - totals only															
Debtors Age Analysis By Customer Group															
Origins of State	2200	637	634	40	88	19,522	68	596	5,449	27,033	25,723	-	-	-	-
Commercial	2300	416	(0)	111	57	1,863	64	444	2,433	5,258	4,732	-	-	-	-
Households	2400	524	(7)	205	188	239	153	1,055	6,242	8,611	7,889	-	-	-	-
Other	2500	210	(0)	87	95	649	71	341	4,610	5,073	5,766	-	-	-	-
Total By Customer Group	2600	1,786	627	463	469	22,103	357	2,446	18,784	46,976	44,109	-	-	-	-

Debtors' age analysis

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

Section 6 – Creditors' analysis

6.1 Supporting Table SC4

Table SC4 reflects the trade creditors.

EC126 Ngqushwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Budget Year 2019/20												Prior year totals for chart (same period)
Description	NT Code	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	390	(0)	0	1	3	(1)	-	-	393	-	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	
Other	0900	-	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	390	(0)	0	1	3	(1)	-	-	393	-	

Section 7 – Investment portfolio analysis

7.1 Supporting Table SC5

EC126 Ngqushwa - 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	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate	Commissio n Paid (Rands)	Commissio n Recipient	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Year	Months											
Municipality														
FNB 74818040061		3MNTHS	Short term	Yes		0	0	0	28/09/2019	49,789	495	(45,504)		4,775
														-
														-
														-
														-
Municipality sub-total										49,789		(45,504)	-	4,775
Entities														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									49,789		(45,504)	-	4,775

7.2 Additional Information

The Statement of financial position includes the following:

Item	R thousands
Cash	4,126,214.00
Call investment deposits Investments	4,774,579.75
TOTAL	8 900 793.81

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

Item	R thousands
Unspent grants	5 457 138.15
Unpaid creditors	393 157.00
TOTAL	R 5 850 295.15

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	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	88,602	-	856	38,669	36,918	(468)	-1.3%	-
Local Government Equitable Share			82,696		-	34,007	34,457	(450)	-1.3%	
Finance Management			2,880		-	2,880	1,200			
Municipal Systems Improvement										
EPWP Incentive			1,901		856	1,332	792			
	3									
PMU			1,125		-	450	469	(19)	-4.0%	
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]										
	4									
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	597	-	63	672	249	424	170.3%	-
Construction Ceta										
LG Seta			176		63	172	73			
Education Seta										
Sports and Recreation			421		-	500	175			
Total Operating Transfers and Grants	5	-	89,199	-	919	39,341	37,168	(45)	-0.1%	-
Capital Transfers and Grants										
National Government:		-	26,539	-	1,359	12,361	11,058	1,303	11.8%	-
Municipal Infrastructure Grant (MIG)			21,379		-	9,002	8,908	94	1.1%	
Energy			5,160		1,359	3,359	2,150	1,209	56.2%	
Provincial Government:		-	-	-	-	-	-	-		-
[insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
Total Capital Transfers and Grants	5	-	26,539	-	1,359	12,361	11,058	1,303	11.8%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	115,738	-	2,278	51,702	48,224	1,258	2.6%	-

8.2 Supporting Table SC7 (1) – Grant and transfers expenditure

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

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<u>EXPENDITURE</u>										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		-	88,602	-	10,391	53,565	38,918	16,848	45.1%	-
Local Government Equitable Share			82,696		9,866	51,473	34,457	17,016	49.4%	
Finance Management			2,880		93	745	1,200	(455)	-38.0%	
Municipal Systems Improvement							-	-		
EPWP Incentive			1,901		327	802	792	10	1.3%	
							-	-		
							-	-		
PMU			1,125		106	546	469	77	16.4%	
Provincial Government:		-	-	-	-	-	-	-	-	-
								-		
								-		
								-		
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-	-	-
								-		
[insert description]								-		
Other grant providers:		-	597	-	99	234	249	31	0	-
Construction Ceta										
LG Seta			176		6	28	73			
Education Seta								-		
library			421		93	206	175	31	17.6%	
Total operating expenditure of Transfers and Grants:		-	89,199	-	10,490	53,799	37,166	16,679	44.9%	-
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		-	26,539	-	911	9,023	11,058	(2,034)	-18.4%	-
Municipal Infrastructure Grant (MIG)			21,379		911	7,529	6,908	(1,378)	-15.5%	
								-		
								-		
Energy			5,160		-	1,494	2,150	(656)	-30.5%	
Provincial Government:		-	-	-	-	-	-	-	-	-
								-		
District Municipality:		-	-	-	-	-	-	-	-	-
								-		
Other grant providers:		-	-	-	-	-	-	-	-	-
								-		
Total capital expenditure of Transfers and Grants		-	26,539	-	911	9,023	11,058	(2,034)	-18.4%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	115,738	-	11,401	62,823	48,224	14,644	30.4%	-

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 2019 are:

Grant	R thousands
Municipal Infrastructure Grant (MIG)	927 044.67
Financial Management Grant (FMG)	2 135 442.38
Integrated Electrification Municipal Programme	1 865 004.20
Extended Public Works Programme Grant (EPWP)	529 646.90
Unspent grant balances	5 457 138.15

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		2018/19	Budget Year 2019/20							
R thousands	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages			7,257		550	2,753	3,024	(271)	-9%	
Pension and UIF Contributions			182		15	76	76	-		
Medical Aid Contributions			34		3	14	14	-		
Motor Vehicle Allowance			473		-	-	197	(197)	-100%	
Cellphone Allowance			1,031		85	430	430	1	0%	
Housing Allowances					-	-	-	-		
Other benefits and allowances			74		75	381	31	350	1137%	
Sub Total - Councillors		-	9,051	-	728	3,655	3,771	(117)	-3%	-
% Increase	4		#DIV/0!							
Senior Managers of the Municipality										
Basic Salaries and Wages			7,131		85	641	2,971	(2,330)	-78%	
Pension and UIF Contributions			62		0	1	26	(25)	-95%	
Medical Aid Contributions			32		-	-	13	(13)	-100%	
Overtime			-		-	-	-	-		
Performance Bonus			-		-	-	-	-		
Motor Vehicle Allowance			770		23	170	321	(151)	-47%	
Cellphone Allowance			46		-	11	19	(8)	-41%	
Housing Allowances			-		-	-	-	-		
Other benefits and allowances			15		-	(102)	6	(108)	-1698%	
Payments in lieu of leave			2		-	-	1	(1)	-100%	
Long service awards			-		-	-	-	-		
Post-retirement benefit obligations			-		-	-	-	-		
Sub Total - Senior Managers of Municipality		-	8,058	-	108	722	3,358	(2,635)	-78%	-
% Increase	4		#DIV/0!							
Other Municipal Staff										
Basic Salaries and Wages			44,059		3,856	20,301	18,358	1,943	11%	
Pension and UIF Contributions			6,506		578	2,918	2,711	207	8%	
Medical Aid Contributions			2,547		231	1,157	1,061	96	9%	
Overtime			744		43	225	310	(85)	-27%	
Performance Bonus			-		-	-	-	-		
Motor Vehicle Allowance			2,318		174	812	966	(154)	-16%	
Cellphone Allowance			345		24	116	144	(28)	-20%	
Housing Allowances			104		14	48	43	5	10%	
Other benefits and allowances			3,412		334	1,678	1,422	256	18%	
Payments in lieu of leave			1,167		16	299	486	(187)	-38%	
Long service awards			222		49	106	93	13	14%	
Post-retirement benefit obligations			-		-	-	-	-		
Sub Total - Other Municipal Staff		-	61,424	-	5,318	27,660	25,593	2,067	8%	-
% Increase	4		#DIV/0!							
Total Parent Municipality		-	78,533	-	6,154	32,036	32,722	(686)	-2%	-

Section 10 – Material variances to the SDBIP

Material variances to the service delivery and budget implementation plan

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

and note

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

10.1 Over view

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

Section 11 – Parent municipality financial performance

Parent municipality financial performance

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

11.1 Supporting Table SC10

Not applicable to Ngqushwa Local Municipality.

Section 12 – Municipal entity summary

Municipal entity summary

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

12.1 Supporting Table SC11

Not applicable to Ngqushwa Local Municipality

Section 13 – Capital programme performance

Capital programme performance

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

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

13.1 Supporting Table SC12

EC126 Ngqushwa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M05 November

Month	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July		2,371		1,301	1,301	2,371	1,069	45.1%	4%
August		2,371		1,949	3,250	4,741	1,491	31.5%	11%
September		2,371		902	4,152	7,112	2,960	41.6%	14%
October		2,371		2,006	6,162	9,483	3,321	35.0%	20%
November		2,371		773	6,935	11,854	4,919	41.5%	23%
December		2,371				14,224	-		
January		2,371				16,595	-		
February		2,371				18,966	-		
March		2,371				21,337	-		
April		2,371				23,707	-		
May		2,371				26,078	-		
June		4,371				30,449	-		
Total Capital expenditure	-	30,449	-	6,935					

The Municipality has spent 23% percent of the annual capital budget and 58.5 % compared to year to date budget as at 30 November 2019.

13.2 Supporting Table SC13

Supporting Tables SC13 include the following:

- SC13a: Capital expenditure on new assets by asset class
- SC13b: Capital expenditure on renewal of existing assets by asset class
- SC13c: Expenditure on repairs and maintenance by asset class

MONTHLY BUDGET STATEMENT FOR NOVEMBER 2019

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

13.2.2 Supporting Table SC13c

EC126 Ngqushwa - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M05 November

Description	Ref	2018/19	Budget Year 2019/20						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure		-	554	-	351	731	231	(500)	-216.8%
Roads Infrastructure		-	-	-	185	370	-	(370)	#DIV/0!
Roads		-	-	-	185	370	-	(370)	#DIV/0!
Road Structures		-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-
Electrical Infrastructure		-	554	-	166	361	231	(130)	-56.5%
Power Plants		-	554	-	166	361	231	(130)	-56.5%
HV Substations		-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-
Other assets		-	480	-	180	734	200	(534)	-267.4%
Operational Buildings		-	480	-	180	734	200	(534)	-267.4%
Municipal Offices		-	480	-	180	734	200	(534)	-267.4%
Pay/Enquiry Points		-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-
Computer Equipment		-	120	-	2	59	50	(9)	-17.2%
Computer Equipment		-	120	-	2	59	50	(9)	-17.2%
Furniture and Office Equipment		-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-
Transport Assets		-	1,052	-	170	717	438	(278)	-63.5%
Transport Assets		-	1,052	-	170	717	438	(278)	-63.5%
Land		-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	-	2,205	-	702	2,240	919	(1,321)	-143.8%

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

Print Name: Mrs. M.P Mpahlwa

Acting Municipal Manager of Ngqushwa Municipality (EC126)

Signature



Date

2020/01/14