



NGQUSHWA LOCAL MUNICIPALITY
MONTHLY BUDGET STATEMENT
JANUARY 2019

MONTHLY BUDGET STATEMENT FOR JANUARY 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 January 2019.

BACKGROUND

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

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


1. DELIBERATIONS

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

4. RECOMMENDATION

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

Yours faithfully,



MUNICIPAL MANAGER

Acknowledgement of receipt



Cllr

MAYOR

Date

19 FEB 2019

In-Year Report of Municipalities

Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009 and Schedule C.

Monthly Budget Statement January 2019

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Glossary

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

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

Budget – The financial plan of the Municipality.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Virement – A transfer of budget.

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

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

Legislative Framework

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

The Municipal Finance Management Act – No. 56 of 2003

Section 71: Monthly budget statements

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

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

Format of monthly budget statements

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

Tabling of monthly budget statements

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

Publication of monthly budget statements

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

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

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

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

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

PART 1 – IN-YEAR REPORT

Section 1 – Mayor’s Report

1.1 In-Year Report - Monthly Budget Statement

Mayor’s report

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

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

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

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

1.1.1 Implementation of budget in terms of SDBIP

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

1.1.2 Other information

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

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

Section 2 - Resolutions

Resolutions

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

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

IN-YEAR REPORTS 2018/2019

RECOMMENDATION:

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

Section 3 – Executive Summary

3 Section 3 – Executive Summary

Executive summary

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

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

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

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

and note

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

3.1 Introduction

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

3.2 Consolidated performance

3.2.1 Against annual budget

Revenue by Source

EC126 Ngqushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	Ref	Budget Year 2018/19								
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		25,081	28,780		434	29,181	#####	12,392	74%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue		759	755		67	469	441	29	7%	
Service charges - other								-		
Rental of facilities and equipment		156	572		11	90	334	(244)	-73%	
Interest earned - external investments		755	2,702		-	616	1,576	(960)	-61%	
Interest earned - outstanding debitors		1,965	4,343		296	1,421	2,534	(1,113)	-44%	
Dividends received								-		
Fines, penalties and forfeits		450	3,900		15	129	2,275	(2,146)	-94%	
Licences and permits		1,715	2,249		138	962	1,312	(350)	-27%	
Agency services		310	509		44	227	297	(70)	-24%	
Transfers and subsidies		135,032	95,935		64	63,402	55,962	7,439	13%	
Other revenue		1,078	4,468		206	283	2,606	(2,323)	-89%	
Gains on disposal of PPE					-			-		
Total Revenue (excluding capital transfers and contributions)		187,320	144,213	-	1,275	96,779	84,124	12,655	15%	-

Service charges levied as at 31 January 2019 are as follows;

Property rates

Monthly property rates and service charges were billed to consumers and reflect as accrued income in the Statement of Financial Performance. Property rates are at R 29 180 521.88 with 74%% over billing variance when compared to the year to date budget. This is because of the customers that are billed annually and these customers were billed in the month of July 2018. Property rates budget will corrected during adjustments budgets 2018-2019.

Service charges

Service charges on refuse service charges are R 469 399.34or 7% 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 89 % compared to year to date budget. The other own revenue year to date collection is low, due restricted or no activities in Other revenue – Cemetery fees, Tender fees, Building Plans, Pound fees)

Expenditure by Type

Expenditure By Type									
Employee related costs	58,806	66,807	5,385	39,024	38,971	53	0%		
Remuneration of councillors	9,521	9,439	864	5,203	5,506	(303)	-6%		
Debt Impairment	545	2,170	-	-	1,266	(1,266)	-100%		
Depreciation & asset impairment	33,458	15,053	-	-	8,781	(8,781)	-100%		
Finance charges	886	2,100	4	119	1,225	(1,106)	-90%		
Bulk purchases	-	-	-	-	-	-			
Other materials	-	1,911	35	1,978	1,115	863	77%		
Contracted services	18,254	23,482	2,684	19,672	13,698	5,974	44%		
Transfers and subsidies	-	25	-	-	15	(15)	-100%		
Other expenditure	28,239	16,893	951	6,863	9,854	(2,992)	-30%		
Loss on disposal of PPE	(3,538)	-	-	-	-	-			
Total Expenditure	148,173	137,881	-	9,924	72,859	88,430	(7,571)	-9%	-

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

Capital Expenditure

EC126 Ngqushwa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January

Vote Description	Ref	Budget Year 2018/19								Full Year Forecast
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		59,619	4,318	-	20	1,565	2,519	(954)	-38%	-
Executive and council			10				6	(6)	-100%	
Finance and administration		59,619	4,308		20	1,565	2,513	(948)	-38%	
Internal audit							-			
<i>Community and public safety</i>		-	3,480	-	-	453	1,983	(1,530)	-77%	-
Community and social services			1,500		-	453	875	(422)	-48%	
Sport and recreation			1,900				1,108	(1,108)	-100%	
Public safety							-			
Housing							-			
Health							-			
<i>Economic and environmental services</i>		30,241	19,631	-	2,486	18,866	11,451	7,414	65%	-
Planning and development			15				9	(9)	-100%	
Road transport		30,241	19,616		2,486	18,866	11,443	(8,957)	-78%	
Environmental protection							-			
<i>Trading services</i>		3,900	5,332	-	938	3,900	3,110	790	25%	-
Energy sources		3,900	5,332		938	3,900	3,110	790	25%	
Water management							-			
Waste water management							-			
Waste management							-			
Other							-			
Total Capital Expenditure - Functional Classification	3	93,759	32,681	-	3,443	24,784	19,064	5,720	30%	-
Funded by:										
National Government		34,141	26,348		1,423	23,219	15,370	7,849	51%	
Provincial Government							-			
District Municipality		47,436					-			
Other transfers and grants							-			
Transfers recognised - capital		81,577	26,348	-	1,423	23,219	15,370	7,849	51%	-
Public contributions & donations	5						-			
Borrowing	6						-			
Internally generated funds		12,183	6,333		20	1,565	3,694	(2,129)	-58%	
Total Capital Funding		93,759	32,681	-	3,443	24,784	19,064	5,720	30%	-

The expenditure for the month of January 2019 was R 3 443 247 year to date expenditure is R 24 783 519.84 with 30 % over variance Compared to year to date of the total annual capital budget amount. This month expenditure comprises of:

- the Construction Peddie Town Streets R 24 581 40.53
- the Construction Prudhoe Streets R 27 514.61
- The electrification of household project R 1 913 569.07
- And other fixed assets (office equipment, tools etc.) R 19 790
- The total expenditure above is funded form the Municipal Infrastructure Grant, Energy grant and Municipal own revenue

3.4 Conclusion

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

Section 4 – In-year budget statement tables

4.1 Monthly budget statements

In-year budget statement tables

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

(a) Table C1 s71 Monthly Budget Statement Summary

(b) Table C2 Monthly Budget Statement - Financial Performance (standard classification)

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

(d) Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)

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

(f) Table C6 Monthly Budget Statement - Financial Position

(g) Table C7 Monthly Budget Statement - Cash Flow

and note

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

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

4.1 Monthly budget tables

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

EC126 Ngqushwa - Table C1 Monthly Budget Statement Summary - M07 January

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	25,081	28,780	-	434	29,181	16,788	12,392	74%	-
Service charges	759	755	-	67	469	441	29	7%	-
Investment revenue	755	2,702	-	-	616	1,576	(960)	-61%	-
Transfers and subsidies	135,032	95,935	-	64	63,402	55,962	7,439	13%	-
Other own revenue	5,693	16,041	-	710	3,112	9,357	(6,246)	-67%	-
Total Revenue (excluding capital transfers and contributions)	167,320	144,213	-	1,275	96,779	84,124	12,655	15%	-
Employee costs	58,806	66,807	-	5,385	39,024	38,971	53	0%	-
Remuneration of Councilors	9,521	9,439	-	864	5,203	5,506	(303)	-6%	-
Depreciation & asset impairment	33,458	15,053	-	-	-	8,781	(8,781)	-100%	-
Finance charges	886	2,100	-	4	119	1,225	(1,106)	-90%	-
Materials and bulk purchases	-	1,911	-	35	1,978	1,115	863	77%	-
Transfers and subsidies	-	25	-	-	-	15	(15)	-100%	-
Other expenditure	43,500	42,545	-	3,636	26,534	24,818	1,716	7%	-
Total Expenditure	146,173	137,881	-	9,924	72,859	80,430	(7,571)	-9%	-
Surplus/(Deficit)	21,148	6,333	-	(8,649)	23,920	3,694	20,226	548%	-
Transfers and subsidies - capital (monetary allocation)	35,733	26,348	-	-	-	15,370	(15,370)	-100%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	56,880	32,681	-	(8,649)	23,920	19,064	4,856	25%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	56,880	32,681	-	(8,649)	23,920	19,064	4,856	25%	-
Capital expenditure & funds sources									
Capital expenditure	-	32,681	-	3,443	24,784	19,064	5,720	30%	-
Capital transfers recognised	81,577	26,348	-	3,423	23,219	15,370	7,849	51%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	12,183	6,333	-	20	1,565	3,694	(2,129)	-58%	-
Total sources of capital funds	93,759	32,681	-	3,443	24,784	19,064	5,720	30%	-
Financial position									
Total current assets	30,498	34,146	-	-	52,161	-	-	-	34,146
Total non current assets	279,029	210,439	-	-	300,963	-	-	-	210,439
Total current liabilities	20,042	22,346	-	-	39,988	-	-	-	22,346
Total non current liabilities	12,806	3,191	-	-	12,806	-	-	-	3,191
Community wealth/Equity	276,680	219,048	-	-	300,329	-	-	-	219,048
Cash flows									
Net cash from (used) operating	35,964	78,864	-	(7,021)	27,792	46,004	18,211	40%	-
Net cash from (used) investing	(35,726)	(63,811)	-	(3,515)	(19,261)	(37,223)	(17,962)	48%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	1,504	16,253	-	-	18,835	8,981	(54)	-1%	1,504
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	694	768	434	729	280	413	5,307	17,140	25,766
Creditors Age Analysis									
Total Creditors	692	-	-	262	-	(0)	76	0	1,031

4.1.2 Table C2: Monthly Budget Statement - Financial

EC126 Nqushwa - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	162,572	-	1,021	94,595	94,634	(239)	0%	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	162,572	-	1,021	94,595	94,634	(239)	0%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	586	-	-	414	342	73	21%	-
Community and social services		-	586	-	-	414	342	73	21%	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	6,582	-	186	1,288	3,845	(2,557)	-66%	-
Planning and development		-	91	-	-	21	53	(32)	-60%	-
Road transport		-	6,501	-	186	1,267	3,792	(2,525)	-67%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	811	-	69	482	473	8	2%	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	56	-	1	12	33	(20)	-62%	-
Waste management		-	755	-	67	469	441	29	7%	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	170,561	-	1,275	96,779	99,494	(2,715)	-3%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	94,311	-	6,504	45,080	55,015	(9,935)	-18%	-
Executive and council		-	28,080	-	2,660	15,863	16,380	(517)	-3%	-
Finance and administration		-	64,163	-	3,738	28,213	37,428	(9,195)	-25%	-
Internal audit		-	2,068	-	106	983	1,206	(223)	-18%	-
<i>Community and public safety</i>		-	5,398	-	342	2,983	3,144	(161)	-5%	-
Community and social services		-	2,127	-	138	1,190	1,241	(51)	-4%	-
Sport and recreation		-	994	-	129	963	580	384	66%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	2,269	-	75	830	1,324	(494)	-37%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	19,881	-	1,584	11,584	11,597	(94)	-1%	-
Planning and development		-	6,081	-	303	2,800	3,547	(747)	-21%	-
Road transport		-	13,800	-	1,201	8,704	8,050	654	8%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	15,681	-	1,268	18,859	9,147	1,712	19%	-
Energy sources		-	4,897	-	362	2,983	2,857	126	4%	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	10,784	-	904	7,876	6,290	1,585	25%	-
Other		-	2,618	-	388	2,433	1,527	906	59%	-
Total Expenditure - Functional	3	-	137,881	-	9,924	72,859	80,430	(7,571)	-9%	-
Surplus/ (Deficit) for the year		-	32,681	-	(8,649)	23,920	19,064	4,856	25%	-

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) - M07 January

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - Council General	1	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	162,572	-	1,021	94,585	94,834	(239)	-0.3%	-
Vote 3 - Budget and Treasury		-	586	-	-	414	342	73	21.3%	-
Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 5 - Community & Social Services		-	6,501	-	186	1,267	3,792	(2,525)	-66.6%	-
Vote 6 - Technical services		-	-	-	-	-	-	-	-	-
Vote 7 - other		-	91	-	-	23	53	(30)	-57.4%	-
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	469	441	29	6.5%	-
Vote 12 - [NAME OF VOTE 12]		-	56	-	1	11	33	(22)	-67.1%	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	170,581	-	1,275	96,779	99,494	(2,715)	-2.7%	-
Expenditure by Vote										
Vote 1 - Council General	1	-	28,080	-	2,660	15,863	16,380	(517)	-3.2%	-
Vote 2 - Municipal Manager		-	64,163	-	3,738	28,233	37,428	(9,195)	-24.6%	-
Vote 3 - Budget and Treasury		-	2,127	-	138	1,190	1,241	(51)	-4.1%	-
Vote 4 - Corporate Services		-	4,897	-	362	2,983	2,857	126	4.4%	-
Vote 5 - Community & Social Services		-	13,800	-	1,201	8,704	8,050	654	8.1%	-
Vote 6 - Technical services		-	2,618	-	308	2,433	1,527	906	59.3%	-
Vote 7 - other		-	6,081	-	303	2,800	3,547	(747)	-21.1%	-
Vote 8 - [NAME OF VOTE 8]		-	994	-	129	963	580	384	66.2%	-
Vote 9 - [NAME OF VOTE 9]		-	2,269	-	75	830	1,324	(494)	-37.3%	-
Vote 10 - [NAME OF VOTE 10]		-	2,068	-	106	983	1,206	(223)	-18.5%	-
Vote 11 - [NAME OF VOTE 11]		-	10,784	-	904	7,876	6,290	1,586	25.2%	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	137,881	-	9,934	72,859	80,430	(7,571)	-9.4%	-
Surplus/ (Deficit) for the year	2	-	32,680	-	(8,649)	23,920	19,064	4,857	25.5%	-

4.1.4 Table C4: Monthly Budget Statement

EC126 Ngqushwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	Ref	Budget Year 2018/19								Full Year Forecast
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue By Source										
Property rates		25,081	28,780		434	29,181	#####	12,392	74%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue		759	755		67	469	441	29	7%	
Service charges - other								-		
Rental of facilities and equipment		156	572		11	90	334	(244)	-73%	
Interest earned - external investments		755	2,702		-	616	1,576	(960)	-61%	
Interest earned - outstanding debtors		1,985	4,343		296	1,421	2,534	(1,113)	-44%	
Dividends received								-		
Fines, penalties and forfeits		450	3,900		15	129	2,275	(2,146)	-94%	
Licences and permits		1,715	2,249		138	962	1,312	(350)	-27%	
Agency services		310	509		44	227	297	(70)	-24%	
Transfers and subsidies		135,032	95,935		64	63,402	55,962	7,439	13%	
Other revenue		1,078	4,468		206	283	2,606	(2,323)	-89%	
Gains on disposal of PPE								-		
Total Revenue (excluding capital transfers and contributions)		167,320	144,213	-	1,275	96,779	84,124	12,655	15%	-
Expenditure By Type										
Employee related costs		58,806	66,807		5,385	39,024	38,971	53	0%	
Remuneration of councillors		9,521	9,439		864	5,203	5,506	(303)	-6%	
Debt impairment		545	2,170		-	-	1,266	(1,266)	-100%	
Depreciation & asset impairment		33,458	15,053		-	-	8,781	(8,781)	-100%	
Finance charges		886	2,100		4	119	1,225	(1,106)	-80%	
Bulk purchases								-		
Other materials			1,911		35	1,978	1,115	863	77%	
Contracted services		18,254	23,482		2,684	19,672	13,698	5,974	44%	
Transfers and subsidies		-	25		-	-	15	(15)	-100%	
Other expenditure		28,239	16,893		951	6,863	9,854	(2,992)	-30%	
Loss on disposal of PPE		(3,538)	-		-	-	-	-		
Total Expenditure		146,173	137,881	-	9,924	72,859	80,430	(7,571)	-9%	-
Surplus/(Deficit)										
(National / Provincial and District)		21,148	6,333		(8,649)	23,920	3,694	20,226	0	
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		35,733	26,348		-	-	15,370	(15,370)	(0)	
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) after capital transfers & contributions		56,880	32,681	-	(8,649)	23,920	19,064			-
Taxation								-		
Surplus/(Deficit) after taxation		56,880	32,681	-	(8,649)	23,920	19,064			-
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		56,880	32,681	-	(8,649)	23,920	19,064			-
Share of surplus/ (deficit) of associates										
Surplus/ (Deficit) for the year		56,880	32,681	-	(8,649)	23,920	19,064			-

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

EC126 Nggushwa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January

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										
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		59 619	4 318	-	1 166	1 545	2 159	(614)	-28%	-
Executive and council			10				5	(5)	-100%	
Finance and administration		59 619	4 308		1 166	1 545	2 154	(609)	-28%	
Internal audit							-	-		
<i>Community and public safety</i>		-	3 408	-	-	453	1 700	(1 247)	-73%	-
Community and social services			1 500		-	453	750	(297)	-40%	
Sport and recreation			1 900				950	(950)	-100%	
Public safety							-	-		
Housing							-	-		
Health							-	-		
<i>Economic and environmental services</i>		30 241	19 631	-	703	16 380	9 815	6 565	67%	-
Planning and development			15				8	(8)	-100%	
Road transport		30 241	19 616		703	16 380	9 808	(9 105)	-63%	
Environmental protection							-	-		
<i>Trading services</i>		3 900	5 332	-	-	2 962	2 666	296	11%	-
Energy sources		3 900	5 332		-	2 962	2 666	296	11%	
Water management							-	-		
Waste water management							-	-		
Waste management							-	-		
Other							-	-		
Total Capital Expenditure - Functional Classification	3	93 759	32 681	-	1 869	21 340	16 340	5 000	31%	-
Funded by:										
National Government		34 141	26 348		703	19 795	13 174	6 621	50%	
Provincial Government							-	-		
District Municipality		47 436					-	-		
Other transfers and grants							-	-		
Transfers recognised - capital		81 577	26 348	-	703	19 795	13 174	6 621	50%	-
Public contributions & donations	5						-	-		
Borrowing	6						-	-		
Internally generated funds		12 183	6 333		1 166	1 545	3 166	(1 621)	-51%	
Total Capital Funding		93 759	32 681	-	1 869	21 340	16 340	5 000	31%	-

4.1.6 Table C6: Monthly Budget Statement - Financial Position

EC126 Ngqushwa - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1,504	1,266		4,548	1,266
Call investment deposits			-		8,023	-
Consumer debtors		5,257	19,546		26,713	19,546
Other debtors		13,488	9,988		3,024	9,988
Current portion of long-term receivables		397	-		-	-
Inventory		9,853	3,346		9,853	3,346
Total current assets		30,498	34,146	-	52,161	34,146
Non current assets						
Long-term receivables			-		-	-
Investments			-		-	-
Investment property		28,003	24,058		28,003	24,058
Investments in Associate			-		-	-
Property, plant and equipment		250,155	185,133		271,994	185,133
Agricultural			-		-	-
Biological			-		-	-
Intangible		871	1,248		965	1,248
Other non-current assets		0	-		0	-
Total non current assets		279,029	210,439	-	300,963	210,439
TOTAL ASSETS		309,528	244,585	-	353,123	244,585
LIABILITIES						
Current liabilities						
Bank overdraft			-		-	-
Borrowing			-		-	-
Consumer deposits			-		73	-
Trade and other payables		20,042	22,346		35,461	22,346
Provisions			-		4,454	-
Total current liabilities		20,042	22,346	-	39,988	22,346
Non current liabilities						
Borrowing			-		-	-
Provisions		12,806	3,191		12,806	3,191
Total non current liabilities		12,806	3,191	-	12,806	3,191
TOTAL LIABILITIES		32,848	25,537	-	52,794	25,537
NET ASSETS	2	276,680	219,048	-	300,329	219,048
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		276,680	219,048		84,788	219,048
Reserves					215,541	
TOTAL COMMUNITY WEALTH/EQUITY	2	276,680	219,048	-	300,329	219,048

MONTHLY BUDGET STATEMENT FOR JANUARY 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 - M07 January

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										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		40,286	58,798		600	27,656	34,299	(6,643)	-19%	
Service charges		869	1,511		79	465	881	(416)	-47%	
Other revenue		301	12,054		1,576	13,880	7,032	6,848	97%	
Government - operating		79,173	95,935		64	61,360	55,962	5,397	10%	
Government - capital		34,141	26,348		-	17,936	15,370	2,567	17%	
Interest		754	7,045		102	725	4,110	(3,384)	-82%	
Dividends			-		-		-	-		
Payments										
Suppliers and employees		(119,560)	(120,703)		(9,441)	(94,230)	(70,410)	23,820	-34%	
Finance charges			(2,100)				(1,225)	(1,225)	100%	
Transfers and Grants			(25)				(15)	(15)	100%	
NET CASH FROM/(USED) OPERATING ACTIVITIES		35,964	78,864	-	(7,821)	27,792	46,064	18,211	48%	-
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		944								
Decrease (increase) in non-current debtors										
Decrease (increase) other non-current receivables										
Decrease (increase) in non-current investments			(31,130)				(18,159)	18,159	-100%	
Payments										
Capital assets		(36,670)	(32,681)		(3,515)	(19,261)	(19,064)	197	-1%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		(35,726)	(63,811)	-	(3,515)	(19,261)	(37,223)	(17,962)	48%	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		238	15,053	-	(10,535)	8,531	8,781			-
Cash/cash equivalents at beginning:		1,266	1,200			1,504	1,200			1,504
Cash/cash equivalents at month/year end:		1,504	16,253			10,035	9,981			1,504

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Debtors' analysis

EC126 Ngqushwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2018/19									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts LLe Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1300	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non exchange Transactions - Property Rates	1400	402	295	173	471	62	201	4 113	6 726	15 436	14 586	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	88	45	31	31	25	25	148	814	1 162	1 845	-	-
Receivables from Exchange Transactions - Property Rental/Utilities	1700	9	6	-	-	-	-	(6)	129	136	129	-	-
Interest on Asset Debtor Accounts	1810	214	419	230	227	139	157	1 040	6 427	8 002	4 130	-	-
Receivable unclassified, singular, utilities and residential services	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	694	769	434	729	206	413	6 367	17 146	25 706	23 676	-	-
287718 - Initial only													
Debtors Age Analysis By Customer Group													
Organ of State	2200	-	-	-	-	-	-	-	-	-	-	-	-
Consumer	2300	-	-	-	-	-	-	-	-	-	-	-	-
Household	2400	-	-	-	-	-	-	-	-	-	-	-	-
Other	2500	80	55	48	381	42	42	648	1 975	5 293	5 120	-	-
Total By Customer Group	2000	80	55	48	381	42	42	648	1 975	5 293	5 120	-	-

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 - M07 January

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			
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	0	0	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	692	-	-	262	-	(0)	76	-	1 031	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	692	-	-	262	-	(0)	76	0	1 031	-	-

The amount in over 90 days is payable to South African Local Government Association and other trade creditors, the municipality awaiting the documentation to process the payment.

Section 7 – Investment portfolio analysis

7.1 Supporting Table SC5

EC126 Ngqushwa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

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 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Municipality									
	62414349763	Months	Short-term	30-06-2019	-		485	(147)	338
	74773942899	Months	Short-term	30-06-2019	-			8,023	8,023
Municipality sub-total							485	7,876	8,360
Entities									
Entities sub-total									
TOTAL INVESTMENTS AND INTEREST	2						485	7,876	8,360

7.2 Additional Information

The Statement of financial position includes the following:

Item	R thousands
Cash	1 674 782.69
Call investment /deposits Investments	8 360 303.65
TOTAL	10 035 086.35

The following commitments exist against these available resources:

Item	R thousands
Unspent grants	-1 806 972.52
Unpaid creditors	1 030 526.03
TOTAL	-776,446.49

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 - M07 January

Description	Ref	2017/18		Budget Year 2018/19						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		79,883	80,489	-	-	60,906	48,952	12,775	27.2%	-
Local Government Equitable Share		73,615	75,488			56,616	44,035	12,591	28.6%	
Finance Management		2,345	2,415			2,415	1,409			
EPWP Incentive		1,531	1,480			1,036	863			
	3									
PMU		1,592	1,106			839	645	194	30.0%	
Provincial Government:		358	389	-	-	488	215	185	88.1%	-
Sport and Recreation		350	369			400	215	185	88.1%	
	4									
Other transfers and grants (insert description)										
District Municipality:										
Other grant providers:		80	78	-	64	154	45	109	239.7%	-
LG Sets		80	78		64	154	45	109	239.7%	
Total Operating Transfers and Grants	5	79,523	80,935	-	64	61,468	47,212	13,968	27.7%	-
Capital Transfers and Grants										
National Government:		34,140	26,348	-	-	19,268	15,370	3,899	25.4%	-
Municipal Infrastructure Grant (MIG)		30,241	21,016			15,936	12,259	3,677	30.0%	
INEP		3,899	5,332	-	-	3,332	3,110	222	7.1%	
Provincial Government: (insert description)										
District Municipality: (insert description)										
Other grant providers: (insert description)										
Total Capital Transfers and Grants	5	34,140	26,348	-	-	19,268	15,370	3,899	25.4%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	113,663	107,283	-	64	80,728	62,582	16,967	27.1%	-

8.2 Supporting Table SC7 (1) – Grant expenditure

EC126 Ngqushwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	Ref	Budget Year 2018/19								
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		79,663	80,489	-	395	132,363	46,952	85,351	161.6%	-
Local Government Equitable Share		73,615	75,488	-	-	39,094	44,035	(4,941)	-11.2%	-
Finance Management		2,345	2,415	-	44	46,264	1,409	44,876	3185.5%	-
EPWP Incentive		1,531	1,480	-	262	46,335	863	45,471	5267.0%	-
PMU		1,592	1,106	-	90	589	645	(56)	-8.7%	-
Provincial Government:		350	369	-	-	95	215	(120)	-55.8%	-
Sport and Recreation		350	369	-	-	95	215	(120)	-55.9%	-
Other transfers and grants (insert description)										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		90	78	-	-	-	45	(45)	-100.0%	-
LG Seta		90	78	-	-	-	45	(45)	-100.0%	-
Total operating expenditure of Transfers and Grants:		79,523	80,935	-	395	132,397	47,212	85,185	188.4%	-
Capital expenditure of Transfers and Grants										
National Government:		34,140	26,348	-	1,423	23,219	15,370	7,849	51.1%	-
Municipal Infrastructure Grant (MIG)		30,241	21,016	-	2,486	19,319	12,259	7,060	57.6%	-
NEP		3,899	5,332	-	938	1,900	1,110	790	25.4%	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		34,140	26,348	-	1,423	23,219	15,370	7,849	51.1%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		113,663	107,283	-	1,818	155,616	62,582	83,034	148.7%	-

Supporting Table SC7 (2) – Expenditure against approved rollovers

Not yet applicable

8.3 Comments

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

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

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

The unspent grant balances as at 31 January 2019 are:

Grant	R thousands
Municipal Infrastructure Grant (MIG)	-3 137619.81
Financial Management Grant (FMG)	1 710 492.99
Integrated Electrification Municipal Programme	-567,844.40
Extended Public Works Programme Grant (EPWP)	187,998.70
Unspent grant balances	-1 806 972.52

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 - M07 January

Summary of Employee and Councillor remuneration	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		A	B	C					D	
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		8,823	8,454		709	4,106	4,932	(826)	-17%	
Pension and UIF Contributions		9	-		15	106	-	106	#DIV/0!	
Medical Aid Contributions			-		3	20	-	20	#DIV/0!	
Motor Vehicle Allowance		259	353		52	359	206	154	75%	
Cellphone Allowance		7	633		85	612	369	243	68%	
Housing Allowances			-			-	-	-		
Other benefits and allowances		623	-			-	-	-		
Sub Total - Councillors		9,521	9,439		864	5,203	5,506	(303)	-6%	
% increase	4		-0.9%							
Senior Managers of the Municipality										
Basic Salaries and Wages		3,207	4,642		335	2,995	2,708	287	11%	
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										
Sub Total - Senior Managers of Municipality		3,207	4,642		335	2,995	2,708	287	11%	
% increase	4		44.7%							
Other Municipal Staff										
Basic Salaries and Wages		42,672	52,947		3,631	27,071	30,886	(3,814)	-12%	
Pension and UIF Contributions		5,758	415		596	4,052	242	3,810	1574%	
Medical Aid Contributions		2,149	2,054		229	1,503	1,198	304	25%	
Overtime		323	454		80	222	285	(42)	-16%	
Performance Bonus			3,347				1,952	(1,952)	-100%	
Motor Vehicle Allowance		2,659	1,886		229	1,806	1,101	705	64%	
Cellphone Allowance		326	-		27	215	-	215	#DIV/0!	
Housing Allowances		198	183			82	107	(45)	-42%	
Other benefits and allowances		448	-		54	232	-	232	#DIV/0!	
Payments in lieu of leave		655	785			1,113	446	667	149%	
Long service awards		415	112		3	136	65	71	109%	
Post-retirement benefit obligations			-							
Sub Total - Other Municipal Staff		55,599	62,185		5,050	36,412	36,283	149	0%	
% increase	4		11.8%							
Total Parent Municipality		68,328	76,247		6,249	44,611	44,477	133	0%	

Section 10 – Material variances to the SDBIP

Material variances to the service delivery and budget implementation plan

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

and note

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

10.1 Over view

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

Section 11 – Parent municipality financial performance

Parent municipality financial performance

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

11.1 Supporting Table SC10

Not applicable to Ngqushwa 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 - M07 January

Month	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	482	3,082		2,823	2,823	3,082	260	8.4%	9%
August	1,594	3,082		1,437	4,260	6,165	1,905	30.9%	13%
September	818	3,082		4,896	9,156	9,247	91	1.0%	28%
October	1,761	3,082		3,416	12,572	12,329	(243)	-2.0%	38%
November	2,163	3,082		6,900	19,472	15,412	(4,060)	-26.3%	60%
December	3,390	3,082		1,869	21,340	18,494	(2,846)	-15.4%	65%
January	3,180	3,082		3,443	24,784	21,576	(3,207)	-14.9%	76%
February	4,366	3,082				24,659	-		
March	3,749	3,082				27,741	-		
April	3,067	3,082				30,824	-		
May	5,747	3,082				33,906	-		
June	63,445	(1,225)				32,681	-		
Total Capital expenditure	93,759	32,681	-	24,784					

The Municipality has spent 76 % of the total original capital budget and has an over expenditure variance of 15% compared to year to date budget as at 31 January 2019.

13.2 Supporting Table SC13

Supporting Tables SC13 include the following:

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

Table SC13a totals to Table C5

SC13c: Expenditure on repairs and maintenance by asset class

MONTHLY BUDGET STATEMENT FOR JANUARY 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 Nngushwa - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M07 January

Description	Ref	Budget Year 2018/19								
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	858	-	-	855	496	(359)	-72.3%	-
Roads Infrastructure		-	624	-	-	357	364	7	2.0%	-
Roads			624			357	364	7	2.0%	
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	226	-	-	498	132	(366)	-277.2%	-
Power Plants			226			498	132	(366)	-277.2%	
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Other assets		-	131	-	35	484	76	(328)	-429.3%	-
Operational Buildings		-	131	-	35	404	76	(328)	-429.3%	-
Municipal Offices			131		35	404	76	(328)	-429.3%	
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		-	-	-	-	-	-	-	-	-
Services										
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Land Settlement Software Applications										
Unspecified										
Computer Equipment		-	78	-	-	85	46	(39)	-86.2%	-
Computer Equipment			78			85	46	(39)	-86.2%	
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
Machinery and Equipment		-	150	-	-	-	88	88	100.0%	-
Machinery and Equipment			150				88	88	100.0%	
Transport Assets		-	600	-	-	634	350	(284)	-81.1%	-
Transport Assets			600			634	350	(284)	-81.1%	
Land		-	-	-	-	-	-	-	-	-
Land										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Repairs and Maintenance Expenditure	1	-	1,810	-	35	1,978	1,056	(923)	-87.4%	-

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

Print Name: Mrs. M.P Mpahlwa

Municipal Manager of Ngqushwa Municipality (EC126)

Signature

M.P. Mpahlwa

Date

19/02/2019