



NGQUSHWA LOCAL MUNICIPALITY
MONTHLY BUDGET STATEMENT
SEPTEMBER 2018

MONTHLY BUDGET STATEMENT FOR SEPTEMBER 2018

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

PURPOSE

The purpose of this report is to submit the monthly budget statement of the municipal council, to the honourable mayor, as contemplated in section 71 of the Municipal Finance Management Act, Act 56 of 2003, for the month of September 2018.

BACKGROUND

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

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

1. DELIBERATIONS

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

4. RECOMMENDATION

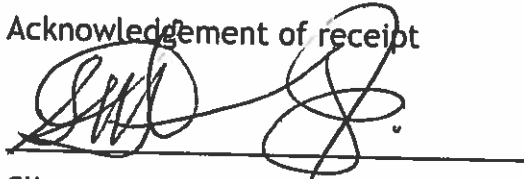
It is recommended that the mayor acknowledges receipt of the report and deal with it in accordance with the relevant prescripts of the legislation.

Yours faithfully,



MUNICIPAL MANAGER

Acknowledgement of receipt



Cllr

MAYOR

Date

16-10-2018

In-Year Report of Municipalities

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

Monthly Budget Statement September 2018

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Glossary

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

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

Budget – The financial plan of the Municipality.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Virement – A transfer of budget.

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

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

Legislative Framework

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

The Municipal Finance Management Act – No. 56 of 2003

Section 71: Monthly budget statements

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

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

Format of monthly budget statements

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

Tabling of monthly budget statements

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

Publication of monthly budget statements

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

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

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

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

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

PART 1 – IN-YEAR REPORT

Section 1 – Mayor’s Report

1.1 In-Year Report - Monthly Budget Statement

Mayor’s report

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

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

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

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

1.1.1 Implementation of budget in terms of SDBIP

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

1.1.2 Other information

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

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

Section 2 - Resolutions

Resolutions

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

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

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

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

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

(e) any other resolutions that may be required.

IN-YEAR REPORTS 2018/2019

RECOMMENDATION:

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

Section 3 – Executive Summary

3 Section 3 – Executive Summary

Executive summary

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

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

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

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

and note

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

3.1 Introduction

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

3.2 Consolidated performance

3.2.1 Against annual budget

Revenue by Source

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

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

Description	Ref	2017/18	Budget Year 2018/19							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue By Source										
Property rates			28 780		434	27 105	7 195	19 910	277%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue			755		67	201	189	12	6%	
Service charges - other								-		
Rental of facilities and equipment			572		14	42	143	(101)	-71%	
Interest earned - external investments			2 702		149	336	675	(340)	-50%	
Interest earned - outstanding debtors			4 343		90	514	1 086	(572)	-53%	
Dividends received								-		
Fines, penalties and forfeits			3 900		13	52	975	(922)	-95%	
Licences and permits			2 249		105	388	562	(174)	-31%	
Agency services			509		24	99	127	(28)	-22%	
Transfers and subsidies			95 935		-	31 453	23 984	7 469	31%	
Other revenue			4 468		25	52	1 117	(1 065)	-95%	
Gains on disposal of PPE								-		
Total Revenue (excluding capital transfers and contributions)			144 213		923	80 243	36 053	24 180	87%	-

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 27 105 200.87 with 277%

% over billing variance when compared to the year to date budget. This is because of the customers that are billed annually and these customers were billed in the month of July 2018.

Service charges

Service charges on refuse service charges are R 200 650.15 or 6% over billed than the year to date budget.

And Rental of facilities are at 71% under billed with the year to date budget.

The municipality has under collected on other own revenue with 95% compared to year to date budget. The revenue in the beginning of the financial year is low, due to the procurement processes (Tender fees) ect that are slow. (Including in Other revenue – Cemetery fees, Tender fees, Building Plans, Pound fees)

Expenditure by Type

Expenditure By Type									
Employee related costs	66 807	6 046	15 924	16 702	(776)	-5%			
Remuneration of councillors	9 439	835	2 192	2 380	(168)	-7%			
Debit impairment	2 170			542	(542)	-100%			
Depreciation & asset impairment	15 053	-	-	3 783	(3 763)	-100%			
Finance charges	2 100	4	12	525	(513)	-98%			
Bulk purchases	-								
Other materials	1 911	255	591	478	113	24%			
Contracted services	23 482	2 015	4 074	5 871	(1 797)	-31%			
Transfers and subsidies	25			6	(8)	-100%			
Other expenditure	16 893	908	2 812	4 223	(1 411)	-33%			
Loss on disposal of PPE	-								
Total Expenditure	-	137 881	-	10 062	25 605	34 470	(8 865)	-26%	-

The actuals expenditure for to debt impairment will be reported annually at the end of financial year, depreciation - the asset section is busy with integrating the final fixed asset register in the financial system. Employee costs show an under expenditure of 5 % or R777 722 because of vacant post yet to be filled during the financial year. The finance cost refers to interest incurred, on late payments. The budget included the interest on proposed leasing of assets.

Capital Expenditure

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										
Governance and administration		-	4 318	-	16	110	1 078	(970)	-90%	-
Executive and council			10				3	(3)	-100%	
Finance and administration			4 308		16	110	1 077	(967)	-90%	
Internal audit										
Community and public safety		-	3 400	-	-	453	850	(397)	-47%	-
Community and social services			1 500			453	375	78	21%	
Sport and recreation			1 900				475	(475)	-100%	
Public safety										
Housing										
Health										
Economic and environmental services		-	19 631	-	4 880	8 592	4 808	3 685	75%	-
Planning and development			15				4	(4)	-100%	
Road transport			19 616		4 880	8 592	4 904	(24)	0%	
Environmental protection										
Trading services		-	5 332	-	-	-	1 333	(1 333)	-100%	-
Energy services			5 332				1 333	(1 333)	-100%	
Water management										
Waste water management										
Waste management										
Other										
Total Capital Expenditure - Functional Classification	3	-	32 081	-	4 896	9 156	8 170	985	12%	-
Funded by:										
National Government			26 348		4 880	9 046	6 587	2 459	37%	
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital		-	28 348	-	4 880	9 046	6 587	2 459	37%	-
Public contributions & donations	5									
Borrowing	6									
Internally generated funds			6 333		16	110	1 583	(1 473)	-93%	
Total Capital Funding		-	32 081	-	4 896	9 156	8 170	985	12%	-

The expenditure for the month of September 2018 was R4 895 633.17 that is 15 % of the total annual capital budget amount. This month it comprises:

- the Construction Mgababa Internal Streets R 28 890.05
- the Construction Peddie Town Streets R 2 913 287.65
- the Construction Qugqwala Internal Streets R 1 166 770.1
- the Construction Runlets Internal Streets R 770 882.11
- And other fixed assets (office equipment, tools etc.) R 15 803.26

The total expenditure above is funded from the Municipal Infrastructure 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 - M03 September

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	-	28 780	-	434	27 105	7 195	19 910	277%	-
Service charges	-	755	-	67	201	189	12	6%	-
Investment revenue	-	2 702	-	149	336	675	(340)	-50%	-
Transfers and subsidies	-	95 935	-	-	31 453	23 984	7 469	31%	-
Other own revenue	-	16 041	-	271	1 148	4 010	(2 862)	-71%	-
Total Revenue (excluding capital transfers and contributions)	-	144 213	-	923	60 243	36 053	24 190	67%	-
Employee costs	-	66 807	-	6 046	15 924	16 702	(778)	-5%	-
Remuneration of Councillors	-	9 439	-	835	2 192	2 360	(168)	-7%	-
Depreciation & asset impairment	-	15 053	-	-	-	3 763	(3 763)	-100%	-
Finance charges	-	2 100	-	4	12	525	(513)	-98%	-
Materials and bulk purchases	-	1 911	-	255	591	478	113	24%	-
Transfers and subsidies	-	25	-	-	-	6	(6)	-100%	-
Other expenditure	-	42 545	-	2 923	6 886	10 636	(3 751)	-35%	-
Total Expenditure	-	137 881	-	10 062	25 695	34 470	(8 865)	-26%	-
Surplus/(Deficit)	-	6 333	-	(9 140)	34 638	1 583	33 055	2088%	-
Transfers and subsidies - capital (monetary alloc	-	26 348	-	-	-	6 587	(6 587)	-100%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	32 681	-	(9 140)	34 638	8 170	26 468	324%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	32 681	-	(9 140)	34 638	8 170	26 468	324%	-
Capital expenditure & funds sources									
Capital expenditure	-	32 681	-	4 896	9 156	8 170	985	12%	-
Capital transfers recognised	-	26 348	-	4 880	9 046	6 587	2 459	37%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	6 333	-	16	110	1 583	(1 473)	-93%	-
Total sources of capital funds	-	32 681	-	4 896	9 156	8 170	985	12%	-
Financial position									
Total current assets	-	34 146	-	-	58 382	-	-	-	34 146
Total non current assets	-	210 439	-	-	251 892	-	-	-	210 439
Total current liabilities	-	22 346	-	-	31 843	-	-	-	22 346
Total non current liabilities	-	3 191	-	-	12 806	-	-	-	3 191
Community wealth/Equity	-	219 048	-	-	265 625	-	-	-	219 048
Cash flows									
Net cash from (used) operating	-	78 864	-	(1 112)	27 878	19 716	(8 162)	-41%	-
Net cash from (used) investing	-	(63 811)	-	(4 291)	(6 237)	(15 953)	(9 715)	61%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	-	16 253	-	-	23 144	4 963	(18 181)	-368%	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	4 579	(5)	11 653	336	299	276	1 580	17 237	35 956
Creditors Age Analysis									
Total Creditors	679	-	(1)	1 718	-	-	(0)	0	2 397

4.1.2 Table C2: Monthly Budget Statement - Financial

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

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	-	707	59 492	40 643	18 849	46%	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	162 572	-	707	59 492	40 643	18 849	46%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	586	-	2	9	146	(138)	-94%	-
Community and social services		-	586	-	2	9	146	(138)	-94%	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	6 592	-	144	536	1 648	(1 112)	-87%	-
Planning and development		-	91	-	7	12	23	(10)	-45%	-
Road transport		-	6 501	-	137	524	1 625	(1 102)	-86%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	811	-	70	206	203	4	2%	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	58	-	2	8	14	(8)	-59%	-
Waste management		-	755	-	67	201	189	12	6%	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	170 561	-	923	60 243	42 640	17 603	41%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	94 311	-	5 865	14 614	23 578	(8 964)	-38%	-
Executive and council		-	28 080	-	1 484	3 720	7 020	(3 300)	-47%	-
Finance and administration		-	64 163	-	4 210	10 542	16 041	(5 499)	-34%	-
Internal audit		-	2 068	-	165	352	517	(165)	-32%	-
<i>Community and public safety</i>		-	5 390	-	365	1 254	1 348	(94)	-7%	-
Community and social services		-	2 127	-	210	514	532	(18)	-3%	-
Sport and recreation		-	994	-	157	395	248	147	59%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	2 269	-	188	345	567	(222)	-36%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	19 881	-	1 839	4 754	4 970	(216)	-4%	-
Planning and development		-	8 081	-	513	1 243	1 520	(278)	-16%	-
Road transport		-	13 800	-	1 326	3 511	3 450	62	2%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	15 661	-	1 532	4 227	3 920	307	6%	-
Energy sources		-	4 897	-	384	762	1 224	(462)	-36%	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	10 764	-	1 148	3 464	2 696	768	29%	-
Other		-	2 618	-	295	788	655	135	21%	-
Total Expenditure - Functional	3	-	137 881	-	10 095	25 638	34 470	(8 832)	-28%	-
Surplus/ (Deficit) for the year		-	32 681	-	(9 173)	34 605	8 170	26 435	324%	-

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

EC126 Ngqushwa - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

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		-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	182 572	-	707	59 492	40 643	18 849	48.4%	-
Vote 3 - Budget and Treasury		-	586	-	2	9	148	(138)	-93.0%	-
Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 5 - Community & Social Services		-	6 501	-	137	524	1 825	(1 102)	-67.8%	-
Vote 6 - Technical services		-	-	-	-	-	-	-	-	-
Vote 7 - other		-	91	-	7	12	23	(10)	-45.0%	-
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	201	189	12	6.3%	-
Vote 12 - [NAME OF VOTE 12]		-	56	-	2	6	14	(8)	-59.0%	-
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	-	923	60 243	42 640	17 603	41.3%	-
Expenditure by Vote										
Vote 1 - Council General	1	-	28 000	-	1 484	3 720	7 020	(3 300)	-47.0%	-
Vote 2 - Municipal Manager		-	84 163	-	4 216	10 542	18 041	(5 490)	-34.3%	-
Vote 3 - Budget and Treasury		-	2 127	-	219	514	532	(18)	-3.3%	-
Vote 4 - Corporate Services		-	4 897	-	364	782	1 224	(462)	-37.7%	-
Vote 5 - Community & Social Services		-	13 800	-	1 328	3 511	3 450	62	1.8%	-
Vote 6 - Technical services		-	2 618	-	295	789	855	135	20.6%	-
Vote 7 - other		-	6 081	-	513	1 243	1 520	(278)	-18.3%	-
Vote 8 - [NAME OF VOTE 8]		-	884	-	157	395	248	147	58.0%	-
Vote 9 - [NAME OF VOTE 9]		-	2 289	-	188	345	567	(222)	-39.2%	-
Vote 10 - [NAME OF VOTE 10]		-	2 068	-	165	352	517	(165)	-31.9%	-
Vote 11 - [NAME OF VOTE 11]		-	10 784	-	1 188	3 484	2 698	786	28.5%	-
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	-	10 085	25 638	34 470	(8 832)	-25.8%	-
Surplus/ (Deficit) for the year	2	-	32 699	-	(9 173)	34 605	8 170	26 435	323.5%	-

4.1.4 Table C4: Monthly Budget Statement

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

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 Source										
Property rates			29 780		434	27 105	7 195	19 910	277%	
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue			755		67	201	189	12	6%	
Service charges - other								-		
Rental of facilities and equipment			572		14	42	143	(101)	-71%	
Interest earned - external investments			2 702		149	336	675	(340)	-50%	
Interest earned - outstanding debtors			4 343		90	514	1 086	(572)	-53%	
Dividends received								-		
Fines, penalties and forfeits			3 900		13	52	975	(922)	-95%	
Licences and permits			2 249		105	388	562	(174)	-31%	
Agency services			509		24	99	127	(28)	-22%	
Transfers and subsidies			19 935		-	31 453	23 984	7 469	31%	
Other revenue			4 468		25	52	1 117	(1 065)	-95%	
Gains on disposal of PPE								-		
Total Revenue (excluding capital transfers and contributions)			144 213		923	60 243	38 053	24 190	67%	-
Expenditure By Type										
Employee related costs			66 807		6 046	15 924	16 702	(778)	-5%	
Remuneration of councillors			9 439		835	2 192	2 360	(168)	-7%	
Debt impairment			2 170				542	(542)	-100%	
Depreciation & asset impairment			15 063		-	-	3 763	(3 763)	-100%	
Finance charges			2 100		4	12	525	(513)	-98%	
Bulk purchases			-				-	-		
Other materials			1 911		255	591	478	113	24%	
Contracted services			23 482		2 015	4 074	5 871	(1 797)	-31%	
Transfers and subsidies			25				6	(6)	-100%	
Other expenditure			16 893		908	2 812	4 223	(1 411)	-33%	
Loss on disposal of PPE			-				-	-		
Total Expenditure			137 841		10 082	25 605	34 470	(8 665)	-26%	-
Surplus/(Deficit)										
Transfers and subsidies - capital (in-kind - all)			8 333		(8 140)	34 838	1 583	33 055	0	
(National / Provincial and District)			26 349		-	-	6 587	(6 587)	(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			32 681		(8 140)	34 838	8 170			-
Taxation								-		
Surplus/(Deficit) after taxation			32 681		(8 140)	34 838	8 170			-
Attributable to members										
Surplus/(Deficit) attributable to municipality			32 681		(8 140)	34 838	8 170			-
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year			32 681		(8 140)	34 838	8 170			-

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

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		-	4 318	-	16	110	1 079	(970)	-90%	-
Executive and council			10				3	(3)	-100%	
Finance and administration			4 308		16	110	1 077	(967)	-90%	
Internal audit										
<i>Community and public safety</i>		-	3 400	-	-	453	850	(397)	-47%	-
Community and social services			1 500			453	375	78	21%	
Sport and recreation			1 900				475	(475)	-100%	
Public safety										
Housing										
Health										
<i>Economic and environmental services</i>		-	19 631	-	4 880	8 592	4 906	3 685	75%	-
Planning and development			15				4	(4)	-100%	
Road transport			19 616		4 880	8 592	4 904	(24)	0%	
Environmental protection										
<i>Trading services</i>		-	5 332	-	-	-	1 333	(1 333)	-100%	-
Energy services			5 332				1 333	(1 333)	-100%	
Water management										
Waste water management										
Waste management										
<i>Other</i>										
Total Capital Expenditure - Functional Classification	3	-	32 681	-	4 896	9 156	8 170	985	12%	-
Funded by:										
National Government			26 348		4 880	9 046	6 587	2 459	37%	
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital		-	26 348	-	4 880	9 046	6 587	2 459	37%	-
Public contributions & donations	5									
Borrowing	6									
Internally generated funds			6 333		16	110	1 583	(1 473)	-83%	
Total Capital Funding		-	32 681	-	4 896	9 156	8 170	985	12%	-

4.1.6 Table C6: Monthly Budget Statement - Financial Position

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

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			1 266		2 586	1 266	
Call investment deposits			-		20 575	-	
Consumer debtors			19 546		30 531	19 546	
Other debtors			9 988		1 447	9 988	
Current portion of long-term receivables			-		-	-	
Inventory			3 346		3 243	3 346	
Total current assets			-	34 146	-	58 382	34 146
Non current assets							
Long-term receivables			-			-	
Investments			-			-	
Investment property			24 058		16 184	24 058	
Investments in Associate			-			-	
Property, plant and equipment			185 133		234 743	185 133	
Agricultural			-			-	
Biological			-			-	
Intangible			1 248		965	1 248	
Other non-current assets			-		0	-	
Total non current assets			-	210 439	-	251 892	210 439
TOTAL ASSETS			-	244 585	-	310 274	244 585
LIABILITIES							
Current liabilities							
Bank overdraft			-			-	
Borrowing			-			-	
Consumer deposits			-		73	-	
Trade and other payables			22 346		27 315	22 346	
Provisions			-		4 454	-	
Total current liabilities			-	22 346	-	31 843	22 346
Non current liabilities							
Borrowing			-			-	
Provisions			3 191		12 806	3 191	
Total non current liabilities			-	3 191	-	12 806	3 191
TOTAL LIABILITIES			-	25 537	-	44 649	25 537
NET ASSETS	2		-	219 048	-	265 625	219 048
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)				219 048		265 625	219 048
Reserves						-	
TOTAL COMMUNITY WEALTH/EQUITY	2		-	219 048	-	265 625	219 048

MONTHLY BUDGET STATEMENT FOR SEPTEMBER 2018

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

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

EC126 Ngqushwa - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			58 798		2 658	14 346	14 700	(354)	-2%	
Service charges			1 511		85	241	378	(137)	-36%	
Other revenue			12 054		7 600	9 692	3 014	6 678	222%	
Government - operating			95 935		-	34 587	23 984	10 603	44%	
Government - capital			26 348		-	8 527	6 587	1 940	29%	
Interest			7 045		90	342	1 761	(1 419)	-81%	
Dividends			-				-	-		
Payments										
Suppliers and employees			(120 703)		(11 545)	(39 857)	(30 176)	9 681	-32%	
Finance charges			(2 100)				(525)	(525)	100%	
Transfers and Grants			(25)				(6)	(6)	100%	
NET CASH FROM/(USED) OPERATING ACTIVITIES			-		(1 112)	27 878	19 716	(8 162)	-41%	-
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments			(31 130)				(7 783)	7 783	-100%	
Payments										
Capital assets			(32 681)		(4 291)	(6 237)	(8 170)	(1 933)	24%	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-		(4 291)	(6 237)	(15 853)	(8 715)	61%	-
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			-		(5 403)	21 840	3 783			-
Cash/cash equivalents at beginning			1 200			1 504	1 200			1 504
Cash/cash equivalents at monthly year end.			16 253			23 144	4 963			1 504

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Debtors' analysis

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

Description	NT Code	Budget Year 2018/19									Actual Debt Written Off against Debtors	Impairment - Bad Debt / Litig. Controversial
		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 - Asset	2200	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables From Exchange Transactions - Liability	1100	-	-	-	-	-	-	-	-	-	-	-
Receivables From Exchange Transactions - Other Assets	1400	4 979	4	11 653	338	200	270	1 900	17 237	35 600	10 720	-
Receivables From Exchange Transactions - Asset Management	2900	-	-	-	-	-	-	-	-	-	-	-
Receivables From Exchange Transactions - Asset Management	4000	107	2	3	21	24	26	164	420	1 111	1 162	-
Receivables From Exchange Transactions - Property Assets	1700	8	-	-	39	-	-	-	125	170	25	-
Receivables From Exchange Transactions - Property Assets	1800	369	-	100	161	195	191	1 022	6 042	6 911	7 674	-
Receivables From Exchange Transactions - Other	1900	-	-	-	-	-	-	-	-	-	-	-
Other	1500	-	-	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	4 979	(9)	11 653	338	200	270	1 900	17 237	35 600	10 720	-
2017/18 - totals only												
Debtors Age Analysis By Customer Group												
Debtors - Total	2200	1 554	0	10 791	45	49	30	200	4 261	13 442	4 606	-
Commercial	2300	465	-	1 111	41	75	40	198	2 970	4 441	4 144	-
Manufacturing	2400	969	0	217	107	114	110	459	4 591	4 441	7 777	-
Other	2500	120	0	574	47	47	31	225	1 674	4 441	4 222	-
Total By Customer Group	2000	4 979	(9)	11 653	338	200	270	1 900	17 237	35 600	10 720	-

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 - M03 September

Description	NT Code	Budget Year 2018/19									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	0	0	0	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	679	-	(1)	1 718	-	-	-	(0)	0	2 397	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	679	-	(1)	1 718	-	-	-	(0)	0	2 397	-

The amount in over 90 days refer to Kwane capital.

Section 7 – Investment portfolio analysis

7.1 Supporting Table SC5

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

Investments by maturity Name of institution & investment ID R thousands	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							
Municipality									
82414349763		Months	Short-term	30-06-2019	-		485	342	826
74773942899		Months	Short-term	30-06-2019	-		-	20 577	20 577
Municipality sub-total					-		485	20 919	21 404
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				-		485	20 919	21 404

7.2 Additional Information

The Statement of financial position includes the following:

Item	R thousands
Cash	1 740 250.95
Call investment /deposits Investments	21 403 785.97
TOTAL	23 144 036.92

The following commitments exist against these available resources:

Item	R thousands
Unspent grants	2 336 383.86
Unpaid creditors	2 396 509.87
TOTAL	4 732 893.73

Section 8 – Allocation and grant receipts and expenditure

8.1 Supporting Table SC6 – Grant receipts

EC126 Ngqushwa - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	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:		-	80 489	-	-	34 687	20 122	12 753	63.4%	-
Local Government Equitable Share			75 488			31 453	18 872	12 581	66.7%	
Finance Management			2 415			2 415	604			
EPWP Incentive			1 480			-	370			
PMU			1 106			449	277	172	62.3%	
Provincial Government:		-	389	-	-	-	92	(92)	-100.0%	-
Sport and Recreation	4		389				92	(92)	-100.0%	
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	78	-	-	-	19	(19)	-100.0%	-
LG Sela			78				19	(19)	-100.0%	
Total Operating Transfers and Grants	5	-	80 935	-	-	34 687	20 234	12 642	62.9%	-
Capital Transfers and Grants										
National Government:		-	26 348	-	-	8 527	6 587	1 940	28.9%	-
Municipal Infrastructure Grant (MIG)			21 016			8 527	5 254	3 273	62.3%	
INEP			5 332			-	1 333	(1 333)	-100.0%	
Provincial Government:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	-	26 348	-	-	8 527	6 587	1 940	28.9%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	107 283	-	-	43 214	26 821	14 582	54.4%	-

8.2 Supporting Table SC7 (1) – Grant expenditure

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

Description	Ref	Budget Year 2018/19								
		2017/18	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	80 489	-	5 389	19 261	20 122	(861)	-4.3%	-
Local Government Equitable Share			75 486		5 233	18 867	18 872	15	0.1%	
Finance Management			2 415		49	153	604	(451)	-74.7%	
EPWP Incentive			1 480		-	-	370	(370)	-100.0%	
PMU			1 106		87	221	277	(55)	-19.9%	
Provincial Government:		-	389	-	-	-	92	(92)	-100.0%	-
Sport and Recreation			369				92	(92)	-100.0%	
Other transfers and grants (insert description)										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	78	-	-	-	19	(19)	-100.0%	-
LG Sets			78				19	(19)	-100.0%	
Total operating expenditure of Transfers and Grants:		-	80 933	-	5 389	19 261	20 234	(973)	-4.8%	-
Capital expenditure of Transfers and Grants										
National Government:		-	28 348	-	4 880	9 046	8 587	2 459	37.3%	-
Municipal Infrastructure Grant (MIG)			21 016		4 880	9 046	5 254	3 792	72.2%	
INEP			5 332		-	-	1 333	(1 333)	-100.0%	
Provincial Government:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	28 348	-	4 880	9 046	8 587	2 459	37.3%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	107 283	-	10 269	28 307	28 821	1 486	5.9%	-

Supporting Table SC7 (2) – Expenditure against approved rollovers

Not yet applicable

8.3 Comments

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

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

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

The unspent grant balances as at 30 September 2018 are:

Grant	R thousands
Municipal Infrastructure Grant (MIG)	-2 955 95.33
Financial Management Grant (FMG)	2 2619 79.19
Integrated Electrification Municipal Programme	0.00
Extended Public Works Programme Grant (EPWP)	370 000
Unspent grant balances	2 336 383.86

Section 8 – Allocation and grant receipts and expenditure

Allocation and grant receipts and expenditure

16. The disclosure on allocation and grant receipts and expenditure must reflect particulars of -

(a) allocation and grant receipts and expenditure against each allocation or grant; and

(b) any change in allocations as a result of -

(i) an adjustments budget of the national or provincial government or district or local municipality; and

(ii) changes in grants from other providers

Section 9 – Expenditure on councillor and board members Allowances and employee benefits

9.1 Supporting Table SC8

EC126 Ngqushwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

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			8 454		671	1 760	2 114	(354)	-17%	
Pension and UIF Contributions			-		15	46	-	46	#DIV/0!	
Medical Aid Contributions			-		3	9	-	9	#DIV/0!	
Motor Vehicle Allowance			353		42	109	88	21	24%	
Cellphone Allowance			833		104	269	158	110	70%	
Housing Allowances			-		-	-	-	-		
Other benefits and allowances			-		-	-	-	-		
Sub Total - Councillors			9 439		835	2 192	2 380	(188)	-7%	
% Increase	4		#DIV/0!							
Senior Managers of the Municipality										
Basic Salaries and Wages			4 642		460	1 328	1 161	167	14%	
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			4 642		460	1 328	1 161	167	14%	
% Increase	4		#DIV/0!							
Other Municipal Staff										
Basic Salaries and Wages			52 947		4 453	11 327	13 237	(1 910)	-14%	
Pension and UIF Contributions			415		588	1 674	104	1 570	1513%	
Medical Aid Contributions			2 054		213	637	514	123	24%	
Overtime			454		27	74	113	(39)	-34%	
Performance Bonus			3 347		-	-	837	(837)	-100%	
Motor Vehicle Allowance			1 888		224	616	472	144	31%	
Cellphone Allowance			-		30	78	-	78	#DIV/0!	
Housing Allowances			183		33	52	46	6	13%	
Other benefits and allowances			-		3	58	-	56	#DIV/0!	
Payments in lieu of leave			765		16	45	191	(147)	-77%	
Long service awards			112		-	38	28	10	37%	
Post-retirement benefit obligations			-		-	-	-	-		
Sub Total - Other Municipal Staff			62 165		5 586	14 586	15 541	(945)	-6%	
% Increase	4		#DIV/0!							
Total Parent Municipality			78 247		6 880	18 116	19 062	(946)	-5%	

Section 10 – Material variances to the SDBIP

Material variances to the service delivery and budget implementation plan

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

and note

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

10.1 Over view

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

Section 11 – Parent municipality financial performance

Parent municipality financial performance

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

11.1 Supporting Table SC10

Not applicable to Ngqushwa Municipality.

Section 12 – Municipal entity summary

Municipal entity summary

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

12.1 Supporting Table SC11

Not applicable to Ngqushwa Municipality

Section 13 – Capital programme performance

Capital programme performance

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

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

13.1 Supporting Table SC12

EC126 Ngqushwa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

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		3 082		2 823	2 823	3 082	260	8.4%	9%
August		3 082		1 437	4 260	6 165	1 905	30.9%	13%
September		3 082		4 898	9 158	9 247	91	1.0%	28%
October		3 082				12 329	-		
November		3 082				15 412	-		
December		3 082				18 494	-		
January		3 082				21 576	-		
February		3 082				24 659	-		
March		3 082				27 741	-		
April		3 082				30 824	-		
May		3 082				33 906	-		
June		(1 225)				32 681	-		
Total Capital expenditure	-	32 681	-	9 158					

The Municipality has spent 28 % of the original capital budget and 1% compared to year to date budget as at 30 September 2018.

13.2 Supporting Table SC13

Supporting Tables SC13 include the following:

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

Table SC13a totals to Table C5

SC13c: Expenditure on repairs and maintenance by asset class

MONTHLY BUDGET STATEMENT FOR SEPTEMBER 2018

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

13.2.2 Supporting Table SC13c

EC126 Ngqushwa - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

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 on new assets by Asset Class/Sub-class										
Infrastructure		-	21 607	-	4 880	8 592	5 402	(3 191)	-59.1%	-
Roads Infrastructure		-	15 300	-	4 880	8 592	3 825	(4 767)	-124.6%	-
Roads		-	15 300	-	4 880	8 592	3 825	(4 767)	-124.6%	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	5 332	-	-	-	1 333	1 333	100.0%	-
Power Plants		-	-	-	-	-	-	-	-	-
Capital Spares		-	5 332	-	-	-	1 333	1 333	100.0%	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Fronenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	975	-	-	-	244	244	100.0%	-
Data Centres		-	975	-	-	-	244	244	100.0%	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		-	2 700	-	-	453	675	222	32.8%	-
Community Facilities		-	1 500	-	-	453	375	(78)	-20.9%	-
Halls		-	1 500	-	-	453	375	(78)	-20.9%	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminets		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	1 200	-	-	-	300	300	100.0%	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	1 200	-	-	-	300	300	100.0%	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	425	-	-	94	106	12	11.8%	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	425	-	-	94	106	12	11.8%	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	425	-	-	94	106	12	11.8%	-
Lead Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	300	-	16	16	75	59	78.9%	-
Computer Equipment		-	300	-	16	16	75	59	78.9%	-
Furniture and Office Equipment		-	265	-	-	-	66	66	100.0%	-
Furniture and Office Equipment		-	265	-	-	-	66	66	100.0%	-
Machinery and Equipment		-	118	-	-	-	29	29	100.0%	-
Machinery and Equipment		-	118	-	-	-	29	29	100.0%	-
Transport Assets		-	2 250	-	-	-	563	563	100.0%	-
Transport Assets		-	2 250	-	-	-	563	563	100.0%	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets		-	27 665	-	4 898	9 156	6 916	(2 239)	-32.4%	-

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.

MONTHLY BUDGET STATEMENT FOR SEPTEMBER 2018

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

Section 16 – Municipal manager's quality certification**QUALITY CERTIFICATE**

I, **Misiwe P. Mpahlwa** municipal manager of **Ngqushwa Municipality**, hereby certify that -

(Mark as appropriate)

- the monthly budget statement
- quarterly report on the implementation of the budget and financial state of affairs of the municipality
- Mid-year budget and performance assessment

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

Print Name: Mrs. M.P Mpahlwa

Municipal Manager of Ngqushwa Municipality (EC126)

Signature



Date

