



In-Year Report

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

“An improved quality of life for all residents”

Monthly Budget Statement August 2016

**JOE GQABI
DISTRICT
MUNICIPALITY**

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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 Joe Gqabi District Municipality.

Budget related policy – Policy of the 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 a non-current asset on the Municipality's balance sheet.

Cash flow statement – A statement including only actual receipts and expenditure by the Municipality. Cash payments and receipts do not always coincide with budgeted 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. The same principle applies with the cash receipts. The Municipality recognise the revenue on date of billing whilst payment may not appear in the same period; the receipt is recognised at date of receipt.

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; this Municipality will need to fully comply by the end of June 2012.

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 and general expenses.

Rates – Local Government tax levied in terms of the Local Government: Municipal Property Rates Act; Act 6 of 2004. The tax is based on the assessed market 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 Joe Gqabi District 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.

MIG – Municipal Infrastructure Grant

MWIG – Municipal Water Infrastructure Grant

WSOS – Water Services Operating Subsidy

Vote – One of the main segments into which a budget. In Joe Gqabi District Municipality this means at directorate level. The votes for Joe Gqabi therefore are:

- Management Services;
- Financial Services;
- Corporate Services;
- Technical Services; and
- Community Services.

PART 1 – IN-YEAR REPORT

Section 1 –Mayor’s Report

1.1 PURPOSE

The purpose of this report is to comply with the section 71 of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009.

1.2 BACKGROUND

In terms of section 71(1) of the Municipal Finance Management Act (MFMA) the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the municipality’s budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) Actual revenue, per revenue source;
- (b) Actual borrowings;
- (c) Actual expenditure, per vote;
- (d) Actual capital expenditure, per vote;
- (e) The amount of any allocations received;
- (f) Actual expenditure on those allocations, excluding expenditure on—
 - (i) its share of the local government equitable share; and
 - (ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g) When necessary, an explanation of—
 - (i) Any material variances from the municipality have projected revenue by source, and from the municipality’s expenditure projections per vote;
 - (ii) Any material variances from the service delivery and budget implementation plan; and
 - (iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality’s approved budget.

2.1 In-Year Report - Monthly Budget Statement

2.1.1 The progress in implementation of budget in terms of SDBIP can be seen from the tables below.

Table 1: Operating Revenue per category

	July Actual	Aug Actual	YTD Actual
Revenue by Source			
Government grants and subsidies	-112 091 745	-23 156 360	-135 248 105
Public Contributions and Donations	0	0	0
Government Services	0	0	0
Interest earned - external investments	-177 358	-469 724	-647 083
Other income	-195 760	-332 532	-528 292
Service Charges: Water & Sanitation	-1 296 023	-1 854 670	-3 150 693
TOTAL	-113 760 887	-25 813 286	-139 574 173

The municipality has raised an actual revenue of R139,574 and the year to date budgeted operating revenue of R166,672 million as at 31 August 2016.

The government grant is the major contributor in the municipality's revenue as it represents 98% of the total revenue.

The service charges collected during August amounts to R1,855 million, there is low collection rate on service charges of water and sanitation services due to failure of customers to pay their accounts and on time.

Table 2: Operating Expenditure per category

	July Actual	Aug Actual	YTD Actual
Expenditure by Nature (GFS Function)			
Employee related costs	14 093 215	13 467 645	27 560 860
Remuneration of Councillors	441 702	187 485	629 187
Debt Impairment	0	0	0
Depreciation and Amortisation	0	0	0
Finance charges	0	0	0
Bulk Purchases	0	0	0
Contracted services	0	0	0
Grants and Subsidies paid	0	0	0
General expenses	10 218 541	15 525 057	25 575 848
TOTAL	24 753 458	29 180 187	53 765 895

The municipality has incurred R53,766 million of its operating expenditure which represents 67% of the year to date budget of R79,825 million as at 31 August 2016.

Detailed analysis follows:

Operating Expenditure by Nature

The figures in this section should represent the accrued amounts; in other words when goods have been ordered, received or invoice issued and completed (reconciled with goods received and prices quoted), only than should it captured as an expense. The financial system currently, do not account the expenses in a manner as mentioned above. Shadow figures are reflected on the financial system once an order is issued. This action serves as a budgetary control mechanism and no actual financial entries are past. These figures cannot be used for reporting purposes. The amounts included as expenditure is currently only those for which a payment run has been completed.

- **Depreciation**

Depreciation provision for July and August was not provided for at the time this report was being prepared. Monthly provisions on depreciation will be done monthly to ensure that the monthly figures reported on are more reliable.

- **Employee related costs**

The actual employee related costs spent for the year to date amounts to R27,561 million, which represents 97% of the year-to-date budget amount of R28,511 million.

- **Remuneration of councillors**

The actual remuneration of councillors spent for the year to date amounts to R629,000 which represents 57% of the year-to-date budget amount of R1,108 million.

More detail with regard to the employee related cost and remuneration of councillors is provided in table SC8 on Page 26

Table 3: Capital Expenditure by Municipal Vote**Capital Expenditure**

The detail of this section can be found in Section 4 of this report Table C5 and also in Supporting table SC12; SC13a and SC13b.

	July Actual	Aug Actual	YTD Actual
Capital Expenditure by GFS			
Executive & Council	-	-	-
Budget & Treasury	-	-	-
Corporate Services	-	-	-
Planning & Development	-	-	-
Health	-	-	-
Community & Social Services	-	-	-
Public Safety	-	-	-
Environmental Protection	-	-	-
Road Transport	-	-	-
Other	-	-	-
Waste Management	8 345 166	3 829 326	12 174 492
Water	-	11 709 501	11 709 501
TOTAL	8 345 166	15 538 827	23 883 993

Capital Expenditure by Vote

The capital expenditure recognised for the month of is R15,539million, being the actual money spent on provision of service delivery in water and sanitation.

MIG grant is the main contributor of JGDM's capital budget.

2.1.2 Other information

Additional clarity on the content of this report or answers to any questions posed will be given at the committee meetings by the Chief Financial Officer.

Section 2 - Resolutions

Recommended resolution to Council with regard to August 2016 in-year report is:

RESOLVED

- (a) That the Council take note of contents in the in-year monthly report for August 2016 as set out in the schedules contained in Section 4:
- a. Table C1 – Monthly Budget Statement Summary;
 - b. Table C2 – Monthly Budget Statement – Financial Performance (Standard classification);
 - c. Table C3 – Monthly Budget Statement – Financial Performance Standard classification (Revenue and expenditure by Municipal Vote)
 - d. Table C4 – Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)
 - e. Table C5 – Monthly Budget Statement – Capital Expenditure;
 - f. Table C6 – Monthly Budget statement – Financial Position; and
 - g. Table C7 – Monthly Budget statement – Cash Flows.
- (b) That the Council take note that the report was submitted to the Executive Mayor on 14 September 2016.
- (c) Any other resolutions required by the Council.

Section 3 – Executive Summary

3.1 Introduction

This Budget statement report for August 2016 of Joe Gqabi District Municipality was prepared via the SAMRAS financial system to comply with the Budget and Reporting Regulations and guidelines as issued by NT.

3.2 Financial Performance; Position and Cash flow

Section 4 of this report includes the tables with the detail figures.

3.2.1 Financial Performance

The detail of this section can be found in Section 4 of this report Table C2 (Summary per GFS); Table C3 (Summary per Municipal Vote) and Table C4 (Summary by Revenue Source and Expenditure Type). The latter is used to provide the executive summary.

3.2.1.1 Revenue by Source

It must be pointed out that in this section the figures represent the accrued amount and not actual cash receipts in other words the amounts billed. The transfers recognised represents only that portion of the grants and subsidies of which the conditions has been met, in other words only reflect the expenditure and not the receipts.

The other sources of revenue that have material variances in rand value are:

- **Interest Earned – External investments**

The actual amount earned in the form of Interest on Investments amount to R177,000 which represents 86% of the year to date budget of R200,000.

- **Other revenue**

Other Revenue is made up of contributions from LGSeta and revenue generated from Photostats.

3.2.2 Financial Position

The detail of this section can be found in Section 4 of this report Table C6 (Financial Position) below:

The financial position indicates the position of the Joe Gqabi District Municipality, after considering the municipality's assets, liabilities and the equity as at 31 July 2016.

The current accumulated surplus of the municipality as at 31 August 2016 is R1,360 billion.

3.2.2.1 Current Assets

- **Cash**

The cash balance of R7,096 million includes cash floats in the form of petty cash and cashier floats. The rest is the "cashbook balance" of the primary bank account.

- **Call Investment Deposits**

Call investment deposits consist of investments made with various institutions when there is surplus cash available in the main bank account. These monies are then transferred to the general bank account and as when needed. The investment policy is used to determine what bank to invest money into.

A monthly investment register is submitted to management.

- **Inventory**

The year to date value of inventory as at 31 August 2016 is R3,113 million.

The current ratio for the month is 0.92, which is below the norm of 1.5 – 2.1, and this highlights serious financial challenges of the municipality and likely liquidity problems *i.e.* insufficient cash to meet short-term financial obligations. Current assets must therefore be increased in order to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities

3.2.2.2 Non-Current Assets

The year to date actual non-current assets is R1,512 billion and the year to date budget is R1,710 billion.

3.2.2.3 Current Liabilities

- **Trade and other payables**

The detail of this section can be found in Section 6 of this report Table C6 (Statement of Financial Position and SC4 (Aged Creditors)).

The amount of the trade and other payables as at 31 August 2016 is R216,507million and this amount includes creditors, provisions, and unspent conditional grants.

The total actual amount of creditors as at 31Augustamounts to R3,306million.

It must be noted that the age analysis is based on invoice date not invoice received. So in terms of the MFMA requirements the DM is complying.

3.2.2 Cash Flow

The detail of this section can be found in Section 4 of this report Table C7 (Cash Flow)

The cash flow statement for the month indicates that the municipality's operations during the month resulted in a positive cash outflow ofR21,919million.

3.3 Remedial or corrective steps

The remedial or corrective steps are listed in order of importance below:

3.3.1 *Bank reconciliation*

The daily automated bank reconciliation is functioning, we however faced challenges with it which resulted in us reverting back to the manual bank reconciliation. The information is derived from the system and the necessary journals are identified early and processed as and when they occur.

3.3.2 *Monthly Procedures*

To get the in-year figures more accurate the monthly actions with regard to the following have been instituted:

- Contributions of medical aid for pensioners;
- Creditors and Debtors reconciliations
- VAT reconciliation;
- Depreciation;

- Short term portion of long-term liabilities; and
- Recognition of interest earned both for call deposits and non-current investments
- Identifying incorrect allocations and wrong vote classifications

3.3.3 Recognition of Trade payables

A monthly integrity report is run on a monthly basis which generates exceptions with regards to the creditor's module. This matter has been reported to the relevant manager and is being addressed.

3.4 Conclusion

JGDM had many challenges during the 2015/16 financial year due to the effects of taking over the water and sanitation services from the local municipalities.

The district municipality has declared a state of drought disaster, in the region. A number of dams within the district reported to have below 40% capacity and this resulted in level 2 and 3 water restrictions, these restrictions amongst others, prohibits users of portable water to water their gardens and wash their cars with a hose pipe.

In terms of financial management, the municipality has established itself as a model in the province. This is supported by the fact that the Auditor General has issued the municipality with a clean audit opinion in 2014-2015 financial year. There are still challenges with the Billing and the municipality is making efforts in implementing a credit control policy.

Section 4 – In-year budget statement tables

4.1 Monthly budget statements

4.1.1 Table C1: Monthly Budget Statement Summary(This table provide a summary of the most important information by pulling its information from the other tables to follow.)

DC14 Joe Gqabi - Table C1 Monthly Budget Statement Summary - M02 August

Description	2015/16	Budget Year 2016/17							
	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	-	-	-	-	-	-	-	-	-
Service charges	77 047	71 981	71 981	1 855	3 151	19 185	(16 034)	-84%	77 413
Investment revenue	4 299	3 368	3 368	470	647	200	447	223%	11 038
Transfers recognised - operational	254 689	335 199	335 199	1 912	96 749	107 180	(10 431)	-10%	323 578
Other own revenue	6 890	12 844	12 844	333	528	249	279	112%	12 844
Total Revenue (excluding capital transfers and contributions)	342 925	423 392	423 392	4 569	101 075	126 814	(25 739)	-20%	424 873
Employee costs	164 837	193 859	193 859	13 468	27 561	28 511	(950)	-3%	213 688
Remuneration of Councillors	5 310	6 649	6 649	187	629	1 108	(479)	-43%	3 958
Depreciation & asset impairment	46 422	50 756	50 756	-	-	27 138	(27 138)	-100%	50 714
Finance charges	5 103	2 255	2 255	-	-	(16)	16	-100%	2 271
Materials and bulk purchases	776	4 264	4 264	-	-	-	-	-	4 264
Transfers and grants	14 893	2 000	2 000	-	-	-	-	-	2 000
Other expenditure	247 504	234 643	234 643	15 525	25 744	26 379	(635)	-2%	1 339 708
Total Expenditure	484 844	494 426	494 426	29 180	53 934	83 121	(29 187)	-35%	1 616 603
Surplus/(Deficit)	(141 919)	(71 035)	(71 035)	(24 611)	47 141	43 693	3 448	8%	(1 191 730)
Transfers recognised - capital	285 733	261 663	261 663	21 244	38 500	43 611	(5 111)	-12%	1 037 200
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	143 814	190 628	190 628	(3 367)	85 641	87 304	(1 663)	-2%	(154 530)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	143 814	190 628	190 628	(3 367)	85 641	87 304	(1 663)	-2%	(154 530)
Capital expenditure & funds sources									
Capital expenditure	-	244 602	244 602	15 539	23 884	103 721	(79 837)	-77%	244 602
Capital transfers recognised	-	184 889	182 889	11 685	16 789	84 671	(67 882)	-80%	182 889
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	11 605	7 658	-	-	2 077	(2 077)	-100%	7 658
Internally generated funds	-	48 108	54 055	3 854	7 095	16 973	(9 878)	-58%	54 055
Total sources of capital funds	-	244 602	244 602	15 539	23 884	103 721	(79 837)	-77%	244 602
Financial position									
Total current assets	(33 602)	41 686	41 686	-	122 495	-	-	-	41 686
Total non current assets	1 499 696	1 709 908	1 709 908	-	1 512 381	-	-	-	1 709 908
Total current liabilities	155 340	91 180	91 180	-	243 390	-	-	-	91 180
Total non current liabilities	40 331	79 973	79 973	-	34 658	-	-	-	79 973
Community wealth/Equity	1 270 423	1 580 441	1 580 441	-	1 270 559	-	-	-	1 580 441
Cash flows									
Net cash from (used) operating	101 449	259 671	259 671	30 248	30 248	21 639	(8 609)	-40%	239 730
Net cash from (used) investing	(94 743)	(278 436)	(278 436)	(8 329)	(23 187)	(23 203)	(16)	0%	(278 505)
Net cash from (used) financing	(229)	5 910	5 910	-	-	493	493	100%	(2 002)
Cash/cash equivalents at the month/year end	11 808	2 949	(12 871)	-	9 809	(1 088)	(10 897)	1002%	(38 029)
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	12 724	11 686	18 260	11 869	11 630	9 105	74 269	107 226	256 769
Creditors Age Analysis									
Total Creditors	1 459	433	39	109	13	15	53	1 185	3 306

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

(This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.)

DC14 Joe Gqabi - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M02 August

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		324 966	312 944	312 944	2 657	97 501	109 264	(11 763)	-11%	325 058
Executive and council		4 286	-	-	-	-	-	-	-	-
Budget and treasury office		320 132	304 455	304 455	2 471	97 167	109 264	(12 097)	-11%	316 569
Corporate services		548	8 489	8 489	186	334	-	334	#DIV/0!	8 489
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		219 043	202 837	202 837	12 002	30 760	29 196	1 564	5%	979 713
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		209 726	191 212	191 212	12 002	30 760	29 196	1 564	5%	968 087
Environmental protection		9 317	11 625	11 625	-	-	-	-	-	11 625
<i>Trading services</i>		110 644	169 273	169 273	11 154	11 313	28 212	(16 899)	-60%	156 552
Electricity		-	-	-	-	-	-	-	-	-
Water		105 948	151 828	151 828	5 415	5 415	25 305	(19 889)	-79%	139 857
Waste water management		4 695	17 445	17 445	5 739	5 898	2 908	2 990	103%	16 695
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	654 652	685 055	685 055	25 813	139 574	166 672	(27 098)	-16%	1 461 323
Expenditure - Standard										
<i>Governance and administration</i>		157 005	182 640	182 640	8 854	15 229	31 904	(16 675)	-52%	194 788
Executive and council		43 738	48 811	48 811	2 441	5 429	18 451	(13 022)	-71%	62 013
Budget and treasury office		69 021	74 821	74 821	4 045	5 508	8 173	(2 665)	-33%	72 327
Corporate services		44 246	59 008	59 008	2 368	4 293	5 280	(987)	-19%	60 448
<i>Community and public safety</i>		15 633	15 594	15 574	1 138	2 355	2 256	99	4%	32 443
Community and social services		2 931	2 109	2 109	150	301	334	(33)	-10%	2 347
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		12 703	13 485	13 465	988	2 054	1 922	132	7%	30 096
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		134 916	149 244	149 264	9 639	19 251	8 760	10 492	120%	194 624
Planning and development		1	0	0	-	-	-	-	-	0
Road transport		114 101	125 534	125 534	8 022	16 441	5 412	11 029	204%	31 522
Environmental protection		20 815	23 710	23 730	1 617	2 810	3 348	(537)	-16%	163 101
<i>Trading services</i>		177 290	146 949	146 949	9 549	17 098	40 201	(23 103)	-57%	1 101 498
Electricity		-	-	-	-	-	-	-	-	-
Water		142 059	119 782	119 971	7 851	14 602	24 421	(9 819)	-40%	1 058 288
Waste water management		35 230	27 166	26 977	1 699	2 496	15 780	(13 284)	-84%	43 210
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	484 844	494 426	494 426	29 180	53 934	83 121	(29 187)	-35%	1 523 353
Surplus/ (Deficit) for the year		169 808	190 628	190 628	(3 367)	85 641	83 551	2 089	3%	(62 030)

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

(The budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality. As part of Table C3; a table with the sub-votes is also prepared.)

DC14 Joe Gqabi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote Description	Ref	2015/16	Budget Year 2016/17							
		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 - MANAGEMENT SERVICES	1	4 286	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		320 132	304 455	304 455	2 471	97 167	109 264	(12 097)	-11.1%	316 569
Vote 3 - CORPORATE SERVICES		548	8 489	8 489	186	334	-	334	#DIV/0!	8 489
Vote 4 - TECHNICAL SERVICES		320 369	360 485	360 485	23 156	42 073	57 408	(15 335)	-26.7%	1 124 639
Vote 5 - COMMUNITY SERVICES		9 317	11 625	11 625	-	-	-	-	-	11 625
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
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 Revenue by Vote	2	654 652	685 055	685 055	25 813	139 574	166 672	(27 098)	-16.3%	1 461 323
Expenditure by Vote										
Vote 1 - MANAGEMENT SERVICES	1	43 738	48 811	48 811	2 441	5 429	18 451	(13 022)	-70.6%	62 013
Vote 2 - FINANCIAL SERVICES		69 021	74 821	74 821	4 045	5 508	8 173	(2 665)	-32.6%	42 429
Vote 3 - CORPORATE SERVICES		44 246	59 008	59 008	2 368	4 293	5 280	(987)	-18.7%	60 448
Vote 4 - TECHNICAL SERVICES		277 491	261 768	261 768	17 287	33 067	44 918	(11 851)	-26.4%	1 185 830
Vote 5 - COMMUNITY SERVICES		50 348	50 019	50 019	3 040	5 637	6 299	(661)	-10.5%	235 985
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
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	484 844	494 426	494 426	29 180	53 934	83 121	(29 187)	-35.1%	1 586 706
Surplus/ (Deficit) for the year	2	169 808	190 628	190 628	(3 367)	85 641	83 551	2 089	2.5%	(125 383)

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

(This table reflects the operating budget and actual figures of the financial performance. The revenue is specifically set out by source due to the fact that Council approves the revenue budget by source and the expenditure budget by vote.)

DC14 Joe Gqabi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2015/16	Budget Year 2016/17							
		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		-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		53 508	54 315	54 315	1 855	3 151	8 251	(5 100)	-62%	58 344
Service charges - sanitation revenue		23 539	13 163	13 163	-	-	6 431	(6 431)	-100%	14 566
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		-	4 503	4 503	-	-	4 503	(4 503)	-100%	4 503
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-
Interest earned - external investments		4 299	3 368	3 368	470	647	200	447	223%	11 038
Interest earned - outstanding debtors		5 347	2 866	2 866	-	-	111	(111)	-100%	2 755
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	119	119	-	-	-	-	-	119
Transfers recognised - operational		254 689	335 199	335 199	1 912	96 749	107 180	(10 431)	-10%	323 578
Other revenue		2 199	9 858	9 858	333	528	138	390	282%	9 969
Gains on disposal of PPE		(657)	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		342 925	423 392	423 392	4 569	101 075	126 814	(25 739)	-20%	424 873
Expenditure By Type										
Employee related costs		164 837	193 859	193 859	13 468	27 561	28 511	(950)	-3%	213 688
Remuneration of councillors		5 310	6 649	6 649	187	629	1 108	(479)	-43%	3 958
Debt impairment		70 897	20 875	20 875	-	-	267	(267)	-100%	20 609
Depreciation & asset impairment		46 422	50 756	50 756	-	-	27 138	(27 138)	-100%	50 714
Finance charges		5 103	2 255	2 255	-	-	(16)	16	-100%	2 271
Bulk purchases		776	4 264	4 264	-	-	-	-	-	4 264
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	-	-	-	-	-	-
Transfers and grants		14 893	2 000	2 000	-	-	-	-	-	2 000
Other expenditure		176 607	213 768	213 768	15 525	25 744	26 112	(369)	-1%	1 319 099
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		484 844	494 426	494 426	29 180	53 934	83 121	(29 187)	-35%	1 616 603
Surplus/(Deficit)		(141 919)	(71 035)	(71 035)	(24 611)	47 141	43 693	3 448	0	(1 191 730)
Transfers recognised - capital		285 733	261 663	261 663	21 244	38 500	43 611	(5 111)	(0)	1 037 200
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		143 814	190 628	190 628	(3 367)	85 641	87 304			(154 530)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		143 814	190 628	190 628	(3 367)	85 641	87 304			(154 530)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		143 814	190 628	190 628	(3 367)	85 641	87 304			(154 530)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		143 814	190 628	190 628	(3 367)	85 641	87 304			(154 530)

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

DC14 Joe Gqabi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M02 August

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure - Municipal Vote										
Expenditure of single-year capital appropriation	1									
Vote 1 - MANAGEMENT SERVICES		-	-	-	-	-	-	-	-	-
1.1 - Executive Mayor		-	-	-	-	-	-	-	-	-
1.2 - Council Expenses		-	-	-	-	-	-	-	-	-
1.3 - Municipal Manager		-	-	-	-	-	-	-	-	-
1.4 - Operations		-	-	-	-	-	-	-	-	-
1.5 - Audit		-	-	-	-	-	-	-	-	-
1.6 - LED		-	-	-	-	-	-	-	-	-
1.7 - Communications		-	-	-	-	-	-	-	-	-
1.8 - JoGEDA		-	-	-	-	-	-	-	-	-
1.9 - SPU Unit		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	200	200	-	-	25	(25)	-100%	200
2.1 - Director: Financial Services		-	-	-	-	-	-	-	-	-
2.2 - Revenue & Expenditure		-	-	-	-	-	-	-	-	-
2.3 - Budget Office		-	-	-	-	-	-	-	-	-
2.4 - Supply Chain Management		-	200	200	-	-	25	(25)	-100%	200
2.5 - Sanitation Financial Services		-	-	-	-	-	-	-	-	-
2.6 - Water Financial Services		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	3 268	3 268	-	-	2 018	(2 018)	-100%	3 268
3.1 - Director: Corporate Services		-	-	-	-	-	-	-	-	-
3.2 - Corporate Services		-	1 435	1 435	-	-	1 435	(1 435)	-100%	1 435
3.3 - Human Resources		-	-	-	-	-	-	-	-	-
3.4 - Legal Services		-	-	-	-	-	-	-	-	-
3.5 - Information Technology		-	1 833	1 833	-	-	583	(583)	-100%	1 833
3.6 - Property Services		-	-	-	-	-	-	-	-	-
3.7 - Skills & Development		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	238 133	238 133	15 539	23 884	100 377	(76 493)	-76%	238 133
4.1 - Director: Technical Services		-	-	-	-	-	-	-	-	-
4.2 - Technical Services		-	-	-	-	-	-	-	-	-
4.3 - Technical Support/PMU		-	-	-	-	-	-	-	-	-
4.4 - Roads		-	-	-	-	-	-	-	-	-
4.5 - Sanitation		-	50 701	54 648	3 829	12 174	10 563	1 612	15%	54 648
4.6 - Water		-	187 432	183 485	11 710	11 710	89 814	(78 105)	-87%	183 485
Vote 5 - COMMUNITY SERVICES		-	3 001	3 001	-	-	1 301	(1 301)	-100%	3 001
5.1 - Director: Community Services		-	-	-	-	-	-	-	-	-
5.2 - Water Service Authority		-	-	-	-	-	-	-	-	-
5.3 - Municipal Health		-	-	-	-	-	-	-	-	-
5.4 - Disaster Management		-	3 001	3 001	-	-	1 301	(1 301)	-100%	3 001
5.5 - Working for Water/Wetlands		-	-	-	-	-	-	-	-	-
5.6 - Fire services		-	-	-	-	-	-	-	-	-
Total single-year capital expenditure		-	244 602	244 602	15 539	23 884	103 721	(79 837)	(0)	244 602
Total Capital Expenditure		-	244 602	244 602	15 539	23 884	103 721	(79 837)	(0)	244 602

4.1.6 Table C6: Monthly Budget Statement - Financial Position

DC14 Joe Gqabi - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		5 364	381	381	7 096	381
Call investment deposits		5 347	2 568	2 568	52 484	2 568
Consumer debtors		91 572	26 014	26 014	69 749	26 014
Other debtors		(139 062)	10 000	10 000	(9 946)	10 000
Current portion of long-term receivables		-	-	-	-	-
Inventory		3 178	2 723	2 723	3 113	2 723
Total current assets		(33 602)	41 686	41 686	122 495	41 686
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		3 305	2 989	2 989	3 399	2 989
Investment property		2 534	2 894	2 894	2 534	2 894
Investments in Associate		-	-	-	-	-
Property, plant and equipment		1 492 440	1 698 713	1 698 713	1 504 922	1 698 713
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		1 417	5 312	5 312	1 525	5 312
Other non-current assets		-	-	-	-	-
Total non current assets		1 499 696	1 709 908	1 709 908	1 512 381	1 709 908
TOTAL ASSETS		1 466 094	1 751 594	1 751 594	1 634 876	1 751 594
LIABILITIES						
Current liabilities						
Bank overdraft		2 615	-	-	-	-
Borrowing		11 168	1 286	1 286	9 185	1 286
Consumer deposits		-	1 042	1 042	-	1 042
Trade and other payables		123 406	53 514	53 514	216 507	53 514
Provisions		18 150	35 337	35 337	17 698	35 337
Total current liabilities		155 340	91 180	91 180	243 390	91 180
Non current liabilities						
Borrowing		4 800	48 739	48 739	5 173	48 739
Provisions		35 531	31 234	31 234	29 484	31 234
Total non current liabilities		40 331	79 973	79 973	34 658	79 973
TOTAL LIABILITIES		195 671	171 152	171 152	278 048	171 152
NET ASSETS	2	1 270 423	1 580 441	1 580 441	1 356 828	1 580 441
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 270 926	1 580 441	1 580 441	1 356 828	1 580 441
Reserves		(502)	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1 270 423	1 580 441	1 580 441	1 356 828	1 580 441

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC14 Joe Gqabi - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2015/16	Budget Year 2016/17							
		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, penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges		47 817	36 158	36 158	1 293	1 293	3 013	(1 721)	-57%	81 939
Other revenue		-	9 977	9 977	222	222	831	(609)	-73%	-
Government - operating		311 264	335 199	335 199	94 510	94 510	27 933	66 577	238%	335 199
Government - capital		96 876	261 663	261 663	96 607	96 607	21 805	74 802	343%	261 663
Interest		4 535	3 368	3 368	135	135	281	(146)	-52%	3 368
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(345 992)	(374 258)	(374 258)	(162 519)	(162 519)	(31 188)	131 331	-421%	(348 588)
Finance charges		(764)	(2 255)	(2 255)	-	-	(188)	(188)	100%	(4 121)
Transfers and Grants		(12 286)	(10 181)	(10 181)	-	-	(848)	(848)	100%	(89 730)
NET CASH FROM/(USED) OPERATING ACTIVITIES		101 449	259 671	259 671	30 248	30 248	21 639	(8 609)	-40%	239 730
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		150	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	16	16	-	16	#DIV/0!	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		219	300	300	-	25	25	-	-	231
Payments										
Capital assets		(95 112)	(278 736)	(278 736)	(8 345)	(23 228)	(23 228)	-	-	(278 736)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(94 743)	(278 436)	(278 436)	(8 329)	(23 187)	(23 203)	(16)	0%	(278 505)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	12 305	12 305	-	-	1 025	(1 025)	-100%	-
Increase (decrease) in consumer deposits		171	-	-	-	-	-	-	-	(1 001)
Payments										
Repayment of borrowing		(399)	(6 395)	(6 395)	-	-	(533)	(533)	100%	(1 001)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(229)	5 910	5 910	-	-	493	493	100%	(2 002)
NET INCREASE/ (DECREASE) IN CASH HELD		6 478	(12 854)	(12 854)	21 919	7 061	(1 071)			(40 777)
Cash/cash equivalents at beginning:		5 330	15 804	(17)		5 330	(17)			5 330
Cash/cash equivalents at month/year end:		11 808	2 949	(12 871)		12 391	(1 088)			(35 447)

PART 2 – IN-YEAR REPORT

Section 5–Debtors' analysis

5.1 Supporting Table SC3

The table below shows debtor's listing from Local Municipalities and billing information is journalised monthly. The debtors are very high as no bad debts have been written off.

Debtors are not being managed by means of the SAMRAS system. The figures on the table below are not accurate as the debtor's list is also not being balanced to the General Ledger. The municipality is in the process of resolving this issue.

DC14 Joe Gqabi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

Description	NT Code	Budget Year 2016/17								Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr				
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	9 042	7 945	13 395	9 053	8 940	6 864	58 768	72 792	186 801	156 418	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	3 682	3 740	4 865	2 816	2 690	2 241	15 501	34 433	69 968	57 681	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	(0)	(0)	(0)	-	-
Total By Income Source	2000	12 724	11 686	18 260	11 869	11 630	9 105	74 269	107 226	256 769	214 099	-	-
2015/16 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 339	1 742	3 092	1 701	1 753	1 339	13 175	21 764	46 905	39 731	-	-
Commercial	2300	874	737	929	633	779	469	2 520	3 883	10 824	8 285	-	-
Households	2400	9 431	9 113	14 151	9 470	9 032	7 235	58 220	80 685	197 338	164 642	-	-
Other	2500	81	94	88	65	65	62	354	894	1 703	1 441	-	-
Total By Customer Group	2600	12 724	11 686	18 260	11 869	11 630	9 105	74 269	107 226	256 769	214 099	-	-

Section 6—Creditors' analysis

6.1 Supporting Table SC4

The table below is the reflection of the creditor's age analysis as at 31 July 2016 with total creditors amounting to R36,61 million.

DC14 Joe Gqabi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description	NT Code	Budget Year 2016/17								Total
		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	-	-	-	-	-	-	-	-	-
Loan repay ments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1 459	433	39	109	13	15	53	1 185	3 306
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	1 459	433	39	109	13	15	53	1 185	3 306

Section 7–Investment portfolio analysis

7.1 Supporting Table SC5

The investments of Joe Gqabi are represented by the investment in the entity Jogeda and a zero coupon investment at DBSA. The current investment register will be changed to make provision for call investment deposits (Deposits shorter than 90 days); Short term investments (Deposits longer than 90 days but shorter than 12 months) and non-current investments.

Table SC5 correctly represent only the non current investments to the value of R 3,305 million.

DC14 Joe Gqabi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Municipality									
JOGEDA		NA	Entity	NA	NA	NA	2 226	(332)	1 894
DBSA			Zero coupon		8		1 411	94	1 505
Municipality sub-total					8		3 637	(238)	3 399
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				8		3 637	(238)	3 399

Section 8 – Allocation and grant receipts and expenditure

8.1 Supporting Table SC6 – Grants

This table below shows the status of grants transfer and expenditure to date.

To date, the municipality has spent R41 million which represents 62% of the grants allocation of R66 million received to date.

APPENDIX C TO AFS - AUGUST 2016								
Name of Grant		Opening Balance	Receipts YTD	Transferred to I/S July	Transferred to I/S August	TOTAL YTD Transferred to I/S	Closing Balance-UNSPENT	% spent
DWAF	OPEX	(5 749.63)	-	-	-	-	(5 749.63)	#DIV/0!
Environmental Health Practitioner	OPEX	(2 023 389.68)	-	-	-	-	(2 023 389.68)	#DIV/0!
Finance Management Grant	OPEX	-	1 250 000.00	-	-	-	1 250 000.00	0%
MIG	CAPEX	(2 532 298.22)	47 537 000.00	(17 096 234.88)	(10 090 169.63)	(27 186 404.51)	17 818 297.27	-57%
Rural Roads Asset Management	OPEX	13 607.19	-	-	(9 992.47)	(9 992.47)	3 614.72	#DIV/0!
Expanded Public Works Programs	OPEX	-	369 000.00	-	(196 499.52)	(196 499.52)	172 500.48	-53%
Public Works Special Programs	OPEX	(3 883 897.33)	-	(1 661 210.05)	(1 705 827.11)	(3 367 037.16)	(7 250 934.49)	#DIV/0!
LGSETA	OPEX	(14 615.28)	446 637.82	(146 850.00)	(184 984.22)	(331 834.22)	100 188.32	-74%
Water Services Infrastructure Grant	CAPEX	998 558.00	-	-	-	-	998 558.00	#DIV/0!
RBIG	CAPEX	(4 235 910.00)	-	(159 300.29)	(5 738 661.09)	(5 897 961.38)	(10 133 871.38)	#DIV/0!
Drought Relief- COGTA	CAPEX	(12 041 029.06)	16 595 388.84	-	(4 271 345.24)	(4 271 345.24)	283 014.54	-26%
Department of Human Settlement	CAPEX	(5 485 489.66)	-	-	-	-	(5 485 489.66)	#DIV/0!
		(29 210 213.67)	66 198 026.66	(19 063 595.22)	(22 197 479.28)	(41 261 074.50)	(4 273 261.51)	

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

9.1 Supporting Table C8

Table SC8 seeks to comply with the reporting requirements of Section 66 of the MFMA regarding disclosure of expenditure on staff benefits.

DC14 Joe Gqabi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	Ref	Budget Year 2016/17								
		2015/16 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)	1									
Basic Salaries and Wages		5 310	6 649	6 649	187	629	1 108	(479)	-43%	3 958
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		5 310	6 649	6 649	187	629	1 108	(479)	-43%	3 958
% increase	4		25.2%	25.2%						-25.5%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		9	12	12	1	1	2	(0)	-23%	11
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		119	156	156	11	23	26	(3)	-13%	-
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		128	168	168	12	24	28	(4)	-14%	11
% increase	4		30.7%	30.7%						-91.7%
Other Municipal Staff										
Basic Salaries and Wages		101 623	109 379	109 379	8 935	18 139	18 230	(91)	0%	119 772
Pension and UIF Contributions		14 151	15 127	15 127	1 250	2 540	2 521	19	1%	16 553
Medical Aid Contributions		6 134	7 472	7 472	548	1 111	1 245	(134)	-11%	6 897
Overtime		8 185	8 354	8 354	738	1 586	1 387	199	14%	14 589
Performance Bonus		8 940	19 947	19 947	44	70	716	(646)	-90%	19 357
Motor Vehicle Allowance		5 664	5 923	5 923	452	911	969	(58)	-6%	5 437
Cellphone Allowance		1 307	1 313	1 313	109	215	216	(1)	-1%	1 415
Housing Allowances		987	924	924	88	343	154	189	123%	2 430
Other benefits and allowances		8 084	8 290	8 290	703	1 438	1 372	66	5%	10 326
Payments in lieu of leave		553	6 057	6 057	-	-	-	-	-	6 057
Long service awards		767	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		2 413	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		158 808	182 786	182 786	12 868	26 353	26 811	(457)	-2%	202 833
% increase	4		15.1%	15.1%						27.7%
Total Parent Municipality		164 245	189 602	189 602	13 068	27 007	27 947	(940)	-3%	206 801

Section 10 – Capital programme performance

10.1 Supporting Table C13

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

These two tables total to Table C5.

DC14 Joe Gqabi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M02 August

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	86 697	90 645	10 775	19 121	19 713	593	3.0%	90 645
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	57 408	57 408	8 314	13 278	4 386	(8 892)	-202.7%	57 408
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	57 408	57 408	8 314	13 278	4 386	(8 892)	-202.7%	57 408
Infrastructure - Sanitation		-	29 289	33 237	2 461	5 842	15 327	9 485	61.9%	33 237
Reticulation		-	29 289	33 207	2 461	5 842	15 327	9 485	61.9%	33 237
Sewerage purification		-	-	30	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	0	-	(0)	#DIV/0!	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	0	-	(0)	#DIV/0!	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	156 572	152 624	4 763	4 763	83 925	79 161	94.3%	152 624
General vehicles		-	20 377	16 430	-	-	2 077	2 077	100.0%	16 430
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	134 060	134 060	4 763	4 763	79 887	75 124	94.0%	134 060
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	2 135	2 135	-	-	1 960	1 960	100.0%	2 135
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	-	243 269	243 269	15 539	23 884	103 638	79 754	77.0%	243 269

- SC13c: Expenditure on repairs and maintenance by asset class

The capital budget projects or items should be split between new and replacement. The original approved budget did not provide the detail in order to do this. At present all capital projects/items is captured as if it is new assets.

DC14 Joe Gqabi - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M02 August

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure	1	6 714	25 010	25 020	809	1 221	1 990	769	38.7%	934 418
Infrastructure - Road transport		2 970	3 080	3 090	243	282	387	105	27.2%	12 184
Roads, Pavements & Bridges		2 970	3 080	3 090	243	282	387	105	27.2%	12 184
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		3 744	21 930	21 930	566	939	1 604	664	41.4%	922 234
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		3 744	21 930	21 930	566	939	1 604	664	41.4%	922 234
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		372	3 861	3 876	29	48	261	213	81.6%	2 200
General vehicles		20	218	228	11	11	20	9	43.0%	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		52	64	69	3	3	11	7	67.8%	26
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		300	3 579	3 579	14	33	230	197	85.6%	2 174
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure		7 086	28 871	28 896	838	1 269	2 251	982	43.6%	936 618

Section 11 – Material variances to the SDBIP

11.1 Overview

No comments apart from those already mentioned in the executive summary.

Section 12 – Other supporting documentation

12.1 Other information

None

Section 13 – Municipal Manager’s quality certification

QUALITY CERTIFICATE

I, ZA Williams, the Municipal Manager of Joe Gqabi District Municipality, hereby certifies that:

the monthly budget statement;

quarterly report on the implementation of the budget;

mid-year budget and performance assessment;

For the month ended in August 2016 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act.

Print Name: _____

Municipal Manager of Joe Gqabi District Municipality (DC14)

Signature: _____

Date: 16.08.2016 _____